

Exhibit A

Return Date: No return date scheduled
Hearing Date: 8/24/2020 10:00 AM - 10:00 AM
Courtroom Number: 2405
Location: District 1 Court
Cook County, IL

FILED
4/29/2020 4:31 PM
DOROTHY BROWN
CIRCUIT CLERK
COOK COUNTY, IL
2020CH03970

9167010

2120 - Served 2121 - Served
2220 - Not Served 2221 - Not Served
2320 - Served By Mail 2321 - Served By Mail
2420 - Served By Publication 2421 - Served By Publication
Summons - Alias Summons

(08/01/18) CCG 0001 A

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS

METAL MANAGEMENT, INC.,

(Name all parties)

v.

FACTORY MUTUAL INSURANCE CO.,

Case No. 2020 CH 03970

☒ **SUMMONS** ☐ **ALIAS SUMMONS**

To each Defendant: **Factory Mutual Insurance Company, 300 S. Northwest Hwy., Park Ridge, IL 60068**

YOU ARE SUMMONED and required to file an answer to the complaint in this case, a copy of which is hereto attached, or otherwise file your appearance and pay the required fee **within thirty (30) days after service of this Summons**, not counting the day of service. To file your answer or appearance you need access to the internet. Please [visit www.cookcountyclerkofcourt.org](http://www.cookcountyclerkofcourt.org) to initiate this process. Kiosks with internet access are available at all Clerk's Office locations. Please refer to the last page of this document for location information.

If you fail to do so, a judgment by default may be entered against you for the relief requested in the complaint.

To the Officer:

This Summons must be returned by the officer or other person to whom it was given for service, with endorsement of service and fees, if any, immediately after service. If service cannot be made, this Summons shall be returned so endorsed. This Summons may not be served later than thirty (30) days after its date.

Dorothy Brown, Clerk of the Circuit Court of Cook County, Illinois
cookcountyclerkofcourt.org

Summons - Alias Summons

(08/01/18) CCG 0001 B

E-filing is now mandatory for documents in civil cases with limited exemptions. To e-file, you must first create an account with an e-filing service provider. Visit <http://efile.illinoiscourts.gov/service-providers.htm> to learn more and to select a service provider. If you need additional help or have trouble e-filing, visit <http://www.illinoiscourts.gov/FAQ/gethelp.asp>, or talk with your local circuit clerk's office.

Atty. No.: 63278Witness: 4/29/2020 4:31 PM DOROTHY BROWNAtty Name: Thomas A. Vickers/MVRHAtty. for: PlaintiffAddress: 150 S. Wacker Drive, 24th FloorCity: ChicagoState: IL Zip: 60606Telephone: (312) 224-1520Primary Email: tav@mvrhlaw.com

 DOROTHY BROWN, Clerk of Court

Date of Service: _____

(To be inserted by officer on copy left with Defendant or other person):

CLERK OF THE CIRCUIT COURT OF COOK COUNTY OFFICE LOCATIONS

- Richard J Daley Center
50 W Washington
Chicago, IL 60602
- District 2 - Skokie
5600 Old Orchard Rd
Skokie, IL 60077
- District 3 - Rolling Meadows
2121 Euclid
Rolling Meadows, IL 60008
- District 4 - Maywood
1500 Maybrook Ave
Maywood, IL 60153
- District 5 - Bridgeview
10220 S 76th Ave
Bridgeview, IL 60455
- District 6 - Markham
16501 S Kedzie Pkwy
Markham, IL 60428
- Domestic Violence Court
555 W Harrison
Chicago, IL 60607
- Juvenile Center Building
2245 W Ogden Ave, Rm 13
Chicago, IL 60602
- Criminal Court Building
2650 S California Ave, Rm 526
Chicago, IL 60608

Daley Center Divisions/Departments

- Civil Division
Richard J Daley Center
50 W Washington, Rm 601
Chicago, IL 60602
Hours: 8:30 am - 4:30 pm
- Chancery Division
Richard J Daley Center
50 W Washington, Rm 802
Chicago, IL 60602
Hours: 8:30 am - 4:30 pm

- Domestic Relations Division
Richard J Daley Center
50 W Washington, Rm 802
Chicago, IL 60602
Hours: 8:30 am - 4:30 pm
- Civil Appeals
Richard J Daley Center
50 W Washington, Rm 801
Chicago, IL 60602
Hours: 8:30 am - 4:30 pm
- Criminal Department
Richard J Daley Center
50 W Washington, Rm 1006
Chicago, IL 60602
Hours: 8:30 am - 4:30 pm
- County Division
Richard J Daley Center
50 W Washington, Rm 1202
Chicago, IL 60602
Hours: 8:30 am - 4:30 pm
- Probate Division
Richard J Daley Center
50 W Washington, Rm 1202
Chicago, IL 60602
Hours: 8:30 am - 4:30 pm
- Law Division
Richard J Daley Center
50 W Washington, Rm 801
Chicago, IL 60602
Hours: 8:30 am - 4:30 pm
- Traffic Division
Richard J Daley Center
50 W Washington, Lower Level
Chicago, IL 60602
Hours: 8:30 am - 4:30 pm

Return Date: No return date scheduled
Hearing Date: 8/24/2020 10:00 AM - 10:00 AM
Courtroom Number: 2405
Location: District 1 Court
Cook County, IL

FILED
4/24/2020 2:23 PM
DOROTHY BROWN
CIRCUIT CLERK
COOK COUNTY, IL
2020CH03970

9140702

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION**

METAL MANAGEMENT, INC.,)	
)	
Plaintiff,)	
)	2020CH03970
v.)	No. _____
)	
FACTORY MUTUAL INSURANCE)	Jury Trial Demanded
COMPANY,)	
)	
Defendant.)	

COMPLAINT

Now Comes Plaintiff, METAL MANAGEMENT, INC., through its Attorneys, MASINI, VICKERS, RUKSAKIATI & HADSELL, P.C., and for its Complaint against Defendant, FACTORY MUTUAL INSURANCE COMPANY, alleges as follows:

PARTIES

1. Metal Management, Inc. (hereinafter "Plaintiff" or Metal Management"), is a Delaware corporation with its principal place of business located in Chicago, Illinois.
2. Factory Mutual Insurance Company (hereinafter "Factory Mutual"), is a Rhode Island company with its principal place of business located in Johnston, Rhode Island.
3. Factory Mutual maintains an office in Park Ridge, Cook County, Illinois.
4. Factory Mutual is in the business of underwriting and selling, among other insurance, all risks property insurance to policyholders located throughout the United States, including Illinois.

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5. Factory Mutual issued the all risks property insurance policy at issue in this lawsuit.

JURISDICTION AND VENUE

6. An actual controversy of a justiciable nature exists between Plaintiff and Defendant involving Plaintiff's rights and Defendant's obligations under the all risks property insurance policy at issue, which controversy may be determined by the judgment of this Court and, therefore, this Court has jurisdiction pursuant to the Declaratory Judgment Act, 735 ILCS 5/2-701.

7. Venue is proper in this Court pursuant to 735 ILCS 5/2-101 because both Parties conduct business in Cook County, Illinois, and because the insurance policy at issue was delivered to Plaintiff's office in Chicago, IL.

INSURANCE POLICY AT ISSUE

8. Factory Mutual issued Policy No. 1047248, which incepted on December 1, 2018 (hereinafter the "Policy"). A true and accurate copy of the Policy is attached hereto as Exhibit "A."

9. The Policy covers property, as described in the Policy, against "ALL RISKS OF PHYSICAL LOSS OR DAMAGE, except as excluded, while located as described in [the] Policy." (See Ex. A, p. 1)

10. Among the locations described and insured under the Policy is Location No. 94, which is a metal recycling facility located in Catoosa, Oklahoma (the "Catoosa Location").

11. The Catoosa Location is operated by Plaintiff's subsidiary Sims Southwest Corporation, f/k/a and identified in the Policy as Proler Southwest Corporation.

12. The Policy covers Plaintiff's Time Element losses, including Gross Earning, Gross Profit and Extra Expense, directly resulting from physical loss or damage from flood, subject to the terms and conditions of the Policy.

13. The Policy insures Plaintiff against its Time Element losses, in part, as follows:

LOSS INSURED

A. This Policy insures TIME ELEMENT loss, as provided in the TIME ELEMENT COVERAGES, directly resulting from physical loss or damage of the type insured:

- 1) to property described elsewhere in this Policy and not otherwise excluded by this Policy or otherwise limited in the TIME ELEMENT COVERAGES below;
- 2) used by the Insured, or for which the Insured has contracted use;
- 3) while located as described in the INSURANCE PROVIDED provision or within 1,000 feet/300 metres thereof, or as described in the TEMPORARY REMOVAL OF PROPERTY provision; [and]

* * *

- 4) during the Periods of Liability described in this section,

* * *

(Ex. A, pages 40-41)

14. Once triggered, the Policy insures Plaintiff against its Time Element losses during the Period of Liability, as defined in the Policy.

15. The Policy defines the Period of Liability as follows:

PERIOD OF LIABILITY

A. The PERIOD OF LIABILITY applying to all TIME ELEMENT COVERAGES, except GROSS PROFIT and LEASEHOLD INTEREST and as shown below or if otherwise provided under any TIME ELEMENT COVERAGE EXTENSION, and subject to any Time Limit provided in the LIMITS OF LIABILITY clause in the DECLARATIONS section, is as follows:

- 1) For building and equipment, the period:
 - a) starting from the time of physical loss or damage of the type insured; and
 - b) ending when with due diligence and dispatch the building and equipment could be:
 - (i) repaired or replaced; and

(ii) made ready for operations,

under the same or equivalent physical and operating conditions that existed prior to the damage.

(Ex. A, pages 46-47)

16. The Policy provides an **Extended Period of Liability**, which, if triggered, extends the Gross Earnings business interruption coverage as follows:

* * *

- 2) for such additional length of time as would be required with the exercise of due diligence and dispatch to restore the Insured's business to the condition that would have existed had no loss happened; and
- 3) commencing with the date on which the liability of the Company for loss resulting from interruption of business would terminate if this Extension had not been included in this Policy.

(Ex. A, page 58)

FACTUAL BACKGROUND

17. In May 2019, Plaintiff's Catoosa Location sustained covered property damage during a flood event.

18. The covered property damage at the Catoosa Location included electric panels, motors, and a barge dock/pier chute.

19. As a direct result of this covered property damage, Plaintiff was unable to load barges and ship scrap metal from the Catoosa Location.

20. As a result of this covered property damage, Plaintiff sustained Time Element losses, including a loss of business income.

21. Plaintiff provided Defendant timely notice of the Catoosa Location flood event and its losses and has otherwise complied with all conditions precedent under the Policy.

22. By letter from its designated adjuster dated December 12, 2019, Defendant denied Plaintiff's Time Element loss claims.

23. Defendant denied Plaintiff's Time Element loss insurance claims based on a Policy exclusion.

COUNT I
(Declaratory Judgment Against Factory Mutual)

24. Plaintiff repeats and realleges paragraphs 1 through 23 above as paragraph 24 of Count I as though fully set forth herein.

25. Plaintiff sustained covered property damage and Time Element losses as defined in the Policy.

26. Defendant denies that it has any obligation to indemnify Plaintiff for the Time Element losses it sustained at the Catoosa Location as a result of the May 2019 flood event.

27. Defendant denies Plaintiff's claim for indemnity under the Policy based on subparagraph 4) of the following exclusion:

4. TIME ELEMENT EXCLUSIONS

In addition to the exclusions elsewhere in this Policy, the following exclusions apply to TIME ELEMENT loss:

This Policy does not insure:

- A. Any loss during any idle period, including but not limited to when production, operation, service or delivery or receipt of goods would cease, or would not have taken place or would have been prevented due to:
- 1) physical loss or damage not insured by this Policy on or off of the insured **location**.
 - 2) planned or rescheduled shutdown.
 - 3) strikes or other work stoppage.
 - 4) any other reason other than physical loss or damage insured under this Policy.

(Ex. A, page 49)

28. Plaintiff denies that the exclusion relied upon by Defendant precludes coverage for the Time Element losses claimed by Plaintiff under the Policy.

29. An actual, justiciable controversy exists between Plaintiff and Defendant regarding whether the Time Element losses sustained by Plaintiff are covered under the Policy.

WHEREFORE, Plaintiff respectfully request that this Honorable Court enter judgment in its favor and against Defendant, including the following relief:

- a. A declaratory judgment addressing Plaintiff's rights and Defendant's obligations under the Policy, and declaring that the Time Element and other losses sustained by Plaintiff as a result of the May 2019 flood event at the Catoosa Location are covered under the Policy;
- b. A declaratory judgment addressing Plaintiff's rights and Defendant's obligations under the Policy, and declaring that the exclusion relied upon by Defendant does not apply to preclude coverage under the Policy for the Time Element and other losses sustained by Plaintiff;
- c. An award of ancillary relief under the Declaratory Judgment Act in the amount of Plaintiff's Time Element and other losses payable under the Policy;
- d. An award of fees and costs incurred by Plaintiff in prosecuting this lawsuit; and,
- e. Such other and further relief as this Court deems proper.

COUNT II
(Breach of Contract Against Factory Mutual)

30. Plaintiff repeats and realleges paragraphs 1 through 29 above as paragraph 30 of Count II as though fully set forth herein.

31. Plaintiff has sustained financial losses that are covered under the Policy.

32. Plaintiff provided timely notice to Defendant of its insurance claim under the Policy.

33. Plaintiff has otherwise complied with all conditions precedent to coverage under the Policy.

34. Defendant has failed to acknowledge coverage for Plaintiff's Time Element losses under the Policy.

35. Defendant has failed to properly evaluate the facts and interpret the Policy, and as a result, failed to properly indemnify Plaintiff under the Policy.

36. Defendant's failure to acknowledge coverage, properly apply the Policy, and indemnify Plaintiff for its Time Element losses constitutes a breach by Defendant of its obligations under the Policy.

37. As a direct and proximate result of Defendant's breach of contract, Plaintiff has been damaged in an amount in excess of \$3,600,000.00, exclusive of interest, costs and attorney's fees.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter judgment in their favor and against Defendant, including the following relief:

- a. An award of damages in Plaintiff's favor and against Defendant for an amount excess of \$3,600,000.00, plus pre-judgment interest;
- b. An award of penalties, fees, and costs incurred by Plaintiff in prosecuting this lawsuit; and,
- c. Such other and further relief as this Court deems proper.

Respectfully submitted,

MASINI, VICKERS, RUKSAKIATI & HADSELL, P.C.

By: /s/ Thomas A. Vickers

Thomas A. Vickers

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Scott A. Ruksakiati

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MASINI, VICKERS, RUKSAKIATI & HADSELL, P.C.

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Chicago, Illinois 60606

(312) 224-1520

Attorney No. 63278

Attorneys for Plaintiff, METAL MANAGEMENT, INC.

<https://mvrh.sharepoint.com/Shared Documents/19-0053/Pleadings/Metal Management Complaint 04-24-20.docx>



Factory Mutual Insurance Company
P.O. Box 7500
Johnston, Rhode Island 02919
1-800-343-7722

MUTUAL CORPORATION NON-ASSESSABLE POLICY

DECLARATIONS

Policy No. 1047248	Previous Policy No. 1020830	DATE OF ISSUE 29 November 2018
Account No. 1-85457	Replaces Binder No.	

In consideration of this Policy's Provisions, Conditions, Stipulations, Exclusions and Limits of Liability, and of premium charged, Factory Mutual Insurance Company, hereafter referred to as the Company, does insure:

INSURED:

Sims Metal Management Limited

(For Complete Title See Policy)

The term of this Policy is from the 1st day of December, 2018 to the 1st day of December, 2019 at 12:01 a.m., Standard Time, at the Locations of property involved as provided in this Policy.

This Policy covers property, as described in this Policy, against ALL RISKS OF PHYSICAL LOSS OR DAMAGE, except as hereinafter excluded, while located as described in this Policy.

By virtue of this Policy and any other policies purchased from the Company being in force, the Insured becomes a member of the Company, subject to the provisions of its charter and by-laws, and is entitled to one vote either in person or by proxy at any and all meetings of said Company.

Assignment of this Policy will not be valid except with the written consent of the Company.

This Policy is made and accepted subject to the above provisions and those hereinafter stated, which are made a part of this Policy, together with such other provisions and agreements as may be added to this Policy.

In Witness, this Company has issued this Policy at its office in the city of Johnston, R. I.
this 29th day of November, 2018.

Authorized Signature

Secretary

President

Countersigned (if required) this _____ day of _____

Agent

Florida information: "THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR HURRICANE LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU."



Factory Mutual Insurance Company
Johnston, Rhode Island
A Mutual Corporation

This policy is Non-Assessable.

It is important that the written portions of all policies covering the same property read exactly alike. If they do not, they should be made uniform at once.

In case of loss notify the company or its local agent at once in writing.

This policy is issued by a mutual company having special regulations lawfully applicable to its organization, membership, policies, or contracts of insurance of which the following shall apply to and form a part of this policy.

EXTRACTS FROM CHARTER OF THIS COMPANY
Granted by the General Assembly of the State of Rhode Island

SECTION 5: Except as hereinafter specifically provided, each natural person, partnership, association, corporation or legal entity insured on the mutual plan by the Corporation shall be a member of the Corporation during the term of its policy but no longer, and at all meetings of the members shall be entitled to one vote either in person or by proxy, provided, however, that where there is more than one insured under any policy, such insureds shall nevertheless be deemed to be a single member of the Corporation for all purposes. The Corporation may issue policies which do not entitle the insured to membership in the Corporation nor to participate in its surplus.

SECTION 10: Upon the termination of the membership of any member, all his or its right and interest in the surplus, reserves and other assets of the Corporation shall forthwith cease.

EXTRACTS FROM THE BY-LAWS OF THIS COMPANY
Adopted July 13, 2000

ARTICLE 1 – MEETINGS OF THE MEMBERS

SECTION 1. Annual Meeting

The annual meeting of the members shall be held at the principal offices of the Company, or at such other place as may be stated in the notice of the meeting, at 9:00 a.m. on the second Thursday of April in each year, for the election of directors and the transaction of such other business as may be brought before the meeting. If the annual meeting is omitted on the day herein provided therefor, a special meeting may be held in place thereof; and any business transacted or elections held at such special meeting shall be as effective as if transacted or held at the annual meeting.



Account No. 1-85457
Policy No. 1047248

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Account No. 1-85457
Policy No. 1047248

DECLARATIONS

This Policy covers property, as described in this Policy, against ALL RISKS OF PHYSICAL LOSS OR DAMAGE, except as hereinafter excluded, while located as described in this Policy.

1. NAMED INSURED AND MAILING ADDRESS

Sims Metal Management Limited and any subsidiary, and Sims Metal Management Limited interest in any partnership or joint venture in which Sims Metal Management Limited has management control or ownership as now constituted or hereafter is acquired, including the 100% interest in SA Recycling, LLC as the respective interest of each may appear; all hereafter referred to as the "Insured," including legal representatives.

200 West Madison Street, Suite 3600
Chicago, Illinois 60606

2. POLICY DATES

TERM: One year

FROM: 01 December, 2018 at 12:01 a.m., Standard Time;

TO: 01 December, 2019 at 12:01 a.m., Standard Time,

at the **location** of property involved as provided in this Policy.

3. INSURANCE PROVIDED

The coverage under this Policy applies to property described on the Schedule of Locations or covered under the terms and conditions of the AUTOMATIC COVERAGE, ERRORS AND OMISSIONS or MISCELLANEOUS PROPERTY provisions, unless otherwise provided.

Schedule of Locations are as listed on the Schedule of Locations attached to this Policy.

4. PREMIUM

This Policy is issued in consideration of an initial premium.

5. PREMIUM PAYABLE

Arthur J. Gallagher Risk Management Services, Inc. pays the premium under this Policy, and any return of the paid premium accruing under this Policy will be paid to the account of Arthur J. Gallagher Risk Management Services, Inc.

6. LOSS ADJUSTMENT/PAYABLE

Loss, if any, will be adjusted with and payable to Sims Metal Management Limited, or as may be directed by Sims Metal Management Limited.



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Policy No. 1047248

Additional insured interests will also be included in loss payment as their interests may appear when named as additional named insured, lender, mortgagee and/or loss payee either on a Certificate of Insurance or other evidence of insurance on file with the Company or named below.

When named on a Certificate of Insurance or other evidence of insurance, such additional interests are automatically added to this Policy as their interests may appear as of the effective date shown on the Certificate of Insurance or other evidence of insurance. The Certificate of Insurance or other evidence of insurance will not amend, extend or alter the terms, conditions, provisions and limits of this Policy.

7. DEDUCTIBLE REIMBURSEMENT

At the written request of the Insured, and in accordance with any Certificates of Insurance or other written evidence that may then be issued to protect the insurable interests of any third party covered hereunder, this Company shall adjust and pay losses in full without regard to any deductible provision which would otherwise apply under the terms and conditions of this Policy; such loss to be adjusted with Sims Metal Management Limited and payable to Sims Metal Management Limited and appropriate loss payee(s) as their interests may appear.

It is further agreed that in any case where a loss is adjusted and payment made in accordance with the above, Sims Metal Management Limited agrees to reimburse this Company as respects such loss payment for that amount which is equal to but not exceeding the amount of the deductible that would have been applicable had this provision not been in effect. Such reimbursement shall be made within 30 days, payable to and forwarded to the Factory Mutual Insurance Company, 300 South Northwest Highway, Park Ridge, IL 60068.

8. TERRITORY

Coverage as provided under this Policy applies worldwide except does not apply in:

Afghanistan; Albania; Algeria; Angola; Armenia; Azerbaijan; Bangladesh; Belarus; Belize; Benin; Bhutan; Botswana; Burkina Faso; Burundi; Cambodia; Cameroon; Central African Republic; Chad; Cote D'Ivoire; Cuba; Democratic Republic of the Congo; Djibouti; Egypt; Equatorial Guinea; Eritrea; Ethiopia; Fiji; Gabon; Gambia; Georgia; Ghana; Grenada; Guinea; Guinea-Bissau; Guyana; Haiti; Honduras; Jammu and Kashmir in India; Iran; Iraq; Israel; Gaza Strip, West Bank and territories north of Latitude 32.80 N in Israel; Kenya; Laos; Lebanon; Lesotho; Liberia; Libya; Madagascar; Malawi; Mali; Mauritania; Mauritius; Moldova; Mongolia; Montenegro; Montserrat; Mozambique; Myanmar; Namibia; Nepal; Niger; Nigeria; North Korea; Pakistan; Papua New Guinea; Aksai Chin and Trans-Karakoram Tract in People's Republic of China; Republic of the Congo; Chechen Republic of the Russian Federation; Rwanda; Senegal; Seychelles; Sierra Leone; Somalia; Sri Lanka; South Sudan; Sudan; Swaziland; Syria; Tajikistan; Tanzania; Timor-Leste; Togo; Agri, Batman, Bingol, Bitlis, Diyarbakir, Elazig, Hakkari, Igdir, Mardin, Mus, Sanliurfa, Siirt, Sirnak and Van in Turkey; Turkmenistan; Uganda; Ukraine; Crimea Region of Ukraine; Uzbekistan; Venezuela; Yemen; Zambia; and Zimbabwe.



Account No. 1-85457
Policy No. 1047248

9. MASTER GLOBAL INSURING POLICY

This Policy is designated the Master Global Insuring Policy. Coverage under this Policy shall apply only after the coverage provided under the local policy issued by the Company, its **representative company(ies)** or any other insurance company has been exhausted. Such local policy will be the first policy to respond in the event of loss or damage. Only upon exhaustion of coverage under the local policy, this Policy covers:

- A. the difference in definitions, perils, conditions or coverages between the local policy and this Policy; and
- B. the difference between the limit(s) of liability stated in the local policy and this Policy,

provided that:

- 1) the coverage is provided under this Policy;
- 2) the limit(s) of liability has been exhausted under the local policy, and
- 3) the deductible(s) applicable to such claim for loss or damage under the local policy has been applied. If the deductible applied in the local policy is different from the deductible that would have been applied for such loss under this Policy, then this Policy will provide for such difference in deductible.

Any coverage provided under the local policy that is not provided under this Policy does not extend to this Policy. As respects **representative company(ies)** only, any insolvency or bankruptcy of the local insurance company shall be considered exhaustion of coverage under the local policy.

As respects local policies issued by companies other than this Company or its **representative company(ies)**, the following also applies:

- A. This Policy will not cover:
 - 1) any financial loss due to insolvency or bankruptcy of the insurance company issuing the local policy.
- B. It is agreed that during the term of this Policy the Insured will not cancel or restrict any insurance in force at the time coverage hereunder attaches, which covers the same risk(s) as covered hereunder, without the knowledge and consent of the Company.
- C. If the local policy is cancelled, restricted or allowed to expire and not renewed without the knowledge and consent of the Company, this coverage will continue to apply as though such local policy had been maintained in full force and effect.

10. JURISDICTION

This Policy will be governed by the laws of the United States of America.

Any disputes arising hereunder will be exclusively subject to United States of America jurisdiction.



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11. CURRENCY

All amounts, including deductibles, premiums and limits of liability, indicated in this Policy shall be in the currency represented by the three letter currency designation shown. This three letter currency designator is defined in Table A.1-Currency and funds code list, International Organization for Standardization (ISO) 4217, edition in effect at the inception of this Policy.

12. LIMITS OF LIABILITY

The Company's maximum limit of liability in an **occurrence**, including any insured TIME ELEMENT loss, will not exceed the Policy limit of liability of USD500,000,000 subject to the following provisions:

- A. Limits of liability and time limits stated below or elsewhere in this Policy are part of, and not in addition to, the Policy limit of liability.
- B. Limits of liability in an **occurrence** apply to the total loss or damage at all **locations** and for all coverages involved, including any insured TIME ELEMENT loss, subject to the following provisions:
 - 1) when a limit of liability applies in the **aggregate during any policy year**, the Company's maximum amount payable will not exceed such limit of liability during any policy year.
 - 2) when a limit of liability applies to a **location** or other specified property, such limit of liability will be the maximum amount payable for all loss or damage at all **locations** arising from physical loss or damage at such **location** or to such other specified property.
- C. Should an **occurrence** result in liability payable under more than one policy issued to the Named Insured by the Company, or its **representative companies**, the maximum amount payable in the aggregate under all such policies will be the applicable limit(s) of liability indicated in this Policy.

Applicable Limits of Liability/Time Limits:

ATTRACTION PROPERTY	30 consecutive days
AUTOMATIC COVERAGE	90 day period but not to exceed a USD100,000,000 limit, per location
CIVIL OR MILITARY AUTHORITY	30 consecutive days
CLAIMS PREPARATION COSTS	USD500,000 plus 50% of the amount recoverable under this coverage in excess of USD500,000 but not to exceed a USD2,500,000 limit combined



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COINSURANCE DEFICIENCY AND CURRENCY DEVALUATION	USD100,000,000
COMMUNICABLE DISEASE RESPONSE	<p>USD1,000,000 in the aggregate during any policy year</p> <p>The Company's maximum limit of liability for INTERRUPTION BY COMMUNICABLE DISEASE and this coverage combined shall not exceed USD1,000,000 in the aggregate during any policy year regardless of the number of locations, coverages or occurrences involved.</p>
COMPUTER SYSTEMS NON PHYSICAL DAMAGE and DATA, PROGRAMS OR SOFTWARE combined	USD10,000,000 in the aggregate during any policy year
CONTINGENT TIME ELEMENT EXTENDED	USD25,000,000
CRISIS MANAGEMENT	30 consecutive days
earth movement	<p>USD100,000,000 in the aggregate during any policy year but not to exceed the following limits in the aggregate during any policy year:</p> <ul style="list-style-type: none"> a) USD25,000,000 for property located in the New Madrid Seismic Zone combined but not to exceed the following limit in the aggregate during any policy year: <ul style="list-style-type: none"> i) USD1,000,000 for CONTINGENT TIME ELEMENT EXTENDED, MISCELLANEOUS PROPERTY, OFF PREMISES DATA SERVICES PROPERTY DAMAGE, OFF PREMISES DATA SERVICES TIME ELEMENT, SERVICE INTERRUPTION PROPERTY DAMAGE and SERVICE INTERRUPTION TIME ELEMENT combined b) USD5,000,000 for property located in the Pacific Northwest Seismic Zone combined but not to exceed the following limit in the aggregate during any policy year:



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	<p>i) USD1,000,000 for CONTINGENT TIME ELEMENT EXTENDED, MISCELLANEOUS PROPERTY, OFF PREMISES DATA SERVICES PROPERTY DAMAGE, OFF PREMISES DATA SERVICES TIME ELEMENT, SERVICE INTERRUPTION PROPERTY DAMAGE and SERVICE INTERRUPTION TIME ELEMENT combined</p> <p>c) USD25,000,000 for property located in California but not to exceed the following limit in the aggregate during any policy year:</p> <p>i) USD10,000,000 for locations as described on the Schedule of SA Recycling, LLC Locations, Appendix B</p> <p>ii) USD1,000,000 for CONTINGENT TIME ELEMENT EXTENDED, MISCELLANEOUS PROPERTY, OFF PREMISES DATA SERVICES PROPERTY DAMAGE, OFF PREMISES DATA SERVICES TIME ELEMENT, SERVICE INTERRUPTION PROPERTY DAMAGE and SERVICE INTERRUPTION TIME ELEMENT combined</p> <p>d) USD15,000,000 for property located in high hazard zones for earth movement combined excluding California</p>
ERRORS AND OMISSIONS	USD100,000,000
EXPEDITING COSTS and EXTRA EXPENSE combined	USD100,000,000
EXTENDED PERIOD OF LIABILITY	90 day period



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fine arts	USD100,000,000 but not to exceed a USD10,000 limit per item for irreplaceable fine arts not on a schedule on file with the Company
finances or penalties for breach of contract or for late or noncompletion of orders combined	USD100,000
flood	USD100,000,000
GROSS PROFIT	12 month period
INGRESS/EGRESS	30 day period
INTERRUPTION BY COMMUNICABLE DISEASE	12 month period but not to exceed a USD1,000,000 limit in the aggregate during any policy year The Company's maximum limit of liability for COMMUNICABLE DISEASE RESPONSE and this coverage combined shall not exceed USD1,000,000 in the aggregate during any policy year regardless of the number of locations, coverages or occurrences involved.
LAND AND WATER CONTAMINANT CLEANUP, REMOVAL AND DISPOSAL	USD500,000 in the aggregate during any policy year
LOGISTICS EXTRA COST	180 day period but not to exceed 200% of the normal cost
MISCELLANEOUS PROPERTY	As respects property at a location : a) USD50,000,000 per location As respects property not at a location : a) USD50,000,000
NEIGHBOUR'S RECOURSE AND TENANT'S LIABILITY	USD10,000,000
OFF PREMISES DATA SERVICES PROPERTY DAMAGE and OFF PREMISES DATA SERVICES TIME ELEMENT combined	USD5,000,000 in the aggregate during any policy year



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radioactive contamination	USD25,000,000 but not to exceed a USD5,000,000 limit for locations as described on the Schedule of SA Recycling, LLC Locations, Appendix B
SERVICE INTERRUPTION PROPERTY DAMAGE and SERVICE INTERRUPTION TIME ELEMENT combined	USD25,000,000
TERRORISM	<p>USD5,000,000 in the aggregate during any policy year but not to exceed the following limits in the aggregate during any policy year:</p> <p>a) USD5,000,000 for AUTOMATIC COVERAGE, ERRORS AND OMISSIONS, MISCELLANEOUS PROPERTY and TEMPORARY REMOVAL OF PROPERTY combined</p> <p>b) USD5,000,000 for flood when caused by or resulting from terrorism</p> <p>The limits for TERRORISM shall not include the actual cash value portion of fire damage caused by terrorism.</p> <p>The limits for TERRORISM do not apply to the SUPPLEMENTAL UNITED STATES CERTIFIED ACT OF TERRORISM ENDORSEMENT(S).</p>
valuable papers and records	USD100,000,000 but not to exceed a USD10,000 limit per item for irreplaceable valuable papers and records not on a schedule on file with the Company

13. DEDUCTIBLES

Subject to the deductible general provisions stated below, in each case of loss covered by this Policy the following deductibles apply:

property located in Australia	USD200,000 combined all coverages, per occurrence
property located in the United States of America or the Commonwealth of Puerto Rico	USD500,000 combined all coverages, per occurrence



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locations as described on the SRS Deductible Locations, Appendix C	USD150,000 combined all coverages, per occurrence
COMPUTER SYSTEMS NON PHYSICAL DAMAGE	USD250,000 per occurrence except USD500,000 per occurrence for property located in the United States of America or the Commonwealth of Puerto Rico
DATA, PROGRAMS OR SOFTWARE	USD250,000 per occurrence except USD500,000 per occurrence for property located in the United States of America or the Commonwealth of Puerto Rico as respects loss or damage caused by the malicious introduction of a machine code or instruction
earthquake	<p>1) As respects property located in high hazard zones for earth movement:</p> <p>Property Damage: 5% per location Time Element: 5% per location</p> <p>The above are subject to a minimum deductible of USD500,000 for Property Damage and Time Element combined, per location</p> <p>2) As respects property located in the New Madrid Seismic Zone or in the Pacific Northwest Seismic Zone:</p> <p>Property Damage: 3% per location Time Element: 3% per location</p> <p>The above are subject to a minimum deductible of USD500,000 for Property Damage and Time Element combined, per location</p>
flood	USD500,000 combined all coverages, per occurrence
LOGISTICS EXTRA COST	USD250,000 per occurrence except USD500,000 per occurrence for property located in the United States of America or the Commonwealth of Puerto Rico



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OFF PREMISES DATA SERVICES PROPERTY DAMAGE and OFF PREMISES DATA SERVICES TIME ELEMENT combined	USD250,000 per occurrence except USD500,000 per occurrence for property located in the United States of America or the Commonwealth of Puerto Rico
mobile equipment	USD500,000 per occurrence except: USD200,000 for each piece of mobile equipment, per occurrence for mobile equipment in Australia
wind	As respects wind loss associated with or occurring in conjunction with a storm or weather disturbance identified by name by any meteorological authority, whether or not named prior to the loss: Property Damage: 3% per location Time Element: 3% per location The above are subject to a minimum deductible of USD500,000 for Property Damage and Time Element combined, per location .
All Other Loss	USD250,000 combined all coverages, per occurrence

Deductible General Provisions:

In each case of loss covered by this Policy, the Company will be liable only if the Insured sustains a loss, including any insured TIME ELEMENT loss, in a single **occurrence** greater than the applicable deductible specified above, and only for its share of that greater amount.

- A. For SERVICE INTERRUPTION loss, when a deductible is not specifically stated as applying to SERVICE INTERRUPTION, the deductible applied to the SERVICE INTERRUPTION loss will be the deductible that would apply if the cause of the interruption happened at the insured **location** that sustains the interruption of the specified services.
- B. For CONTINGENT TIME ELEMENT EXTENDED loss, when a deductible is not specifically stated as applying to CONTINGENT TIME ELEMENT EXTENDED, the deductible for CONTINGENT TIME ELEMENT EXTENDED loss will be determined as though the **contingent time element location** was an insured **location** under this Policy.
- C. The stated earthquake deductible will be applied to earthquake loss. The stated **flood** deductible will be applied to **flood** loss. The stated **wind** deductible will be applied to **wind** loss. The provisions of item E below will also be applied to each.



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As respects Location Nos. 01, 53, 56, 57, 66, 76, 95, 104, AU03 and AU31 described on the Schedule of Locations and notwithstanding item E below, in the event of loss resulting from both **flood** and **wind**, such **flood** and **wind** loss shall be adjusted separately from each other with each being subject to its respective deductible.

- D. When this Policy insures more than one **location**, the deductible will apply against the total loss covered by this Policy in an **occurrence** except that a deductible that applies on a per **location** basis, if specified, will apply separately to each **location** where the physical damage happened regardless of the number of **locations** involved in the **occurrence**.
- E. Unless stated otherwise, if two or more deductibles apply to an **occurrence**, the total to be deducted will not exceed the largest deductible applicable. For the purposes of this provision, when a separate Property Damage and a separate Time Element deductible apply, the sum of the two deductibles will be considered a single deductible. If two or more deductibles apply on a per **location** basis in an **occurrence**, the largest deductible applying to each **location** will be applied separately to each such **location**.
- F. When a % deductible is stated above, whether separately or combined, the deductible is calculated as follows:

Property Damage – % of the value, per the Valuation clause(s) of the PROPERTY DAMAGE section, of the property insured at the **location** where the physical damage happened.

Time Element – % of the full Time Element values that would have been earned in the 12 month period following the **occurrence** by use of the facilities at the **location** where the physical damage happened, plus that proportion of the full Time Element values at all other **locations** where TIME ELEMENT loss ensues that was directly affected by use of such facilities and that would have been earned in the 12 month period following the **occurrence**.

- G. For insured physical loss or damage:
 - 1) to insured fire protection equipment; or
 - 2) from water or other substance discharged from fire protection equipment of the type insured,

the applicable deductible applying to items 1 or 2 above only will be reduced by fifty percent (50%), per **occurrence**. However, this provision will not apply to loss or damage resulting from fire or **earth movement** regardless of whether claim is made for such fire or **earth movement**.



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PROPERTY DAMAGE

1. INSURED PROPERTY

This Policy insures the following property, unless otherwise excluded elsewhere in this Policy, as described in the INSURANCE PROVIDED provision or within 1,000 feet/300 metres thereof, to the extent of the interest of the Insured in such property:

- A. Real Property, including new buildings and additions under construction, in which the Insured has an insurable interest.
- B. Personal Property:
 - 1) owned by the Insured.
 - 2) consisting of the Insured's interest as a tenant in improvements and betterments. In the event of physical loss or damage, the Company agrees to accept and consider the Insured as sole and unconditional owner of improvements and betterments, notwithstanding any contract or lease to the contrary.
 - 3) of officers and employees of the Insured.
 - 4) of others in the Insured's custody to the extent the Insured is under obligation to keep insured for physical loss or damage insured by this Policy.
 - 5) of others in the Insured's custody to the extent of the Insured's legal liability for insured physical loss or damage to Personal Property. The Company will defend that portion of any suit against the Insured that alleges such liability and seeks damages for such insured physical loss or damage. The Company may, without prejudice, investigate, negotiate and settle any claim or suit as the Company deems expedient.

This Policy also insures the interest of contractors and subcontractors in insured property during construction at an insured **location** or within 1,000 feet/300 metres thereof, to the extent of the Insured's legal liability for insured physical loss or damage to such property. Such interest of contractors and subcontractors is limited to the property for which they have been hired to perform work and such interest will not extend to any TIME ELEMENT coverage provided under this Policy.

2. EXCLUDED PROPERTY

The following exclusions apply unless otherwise stated in this Policy:

This Policy excludes:

- A. currency, money, notes or securities.
- B. precious metal in bullion form.
- C. land and any substance in or on land. However, this exclusion does not apply to:



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- 1) landscape gardening.
 - 2) car parks, parking lots, pavement, roadways, railways, transformer enclosures or walkways.
 - 3) fill beneath car parks, parking lots, pavement, roadways, railways, transformer enclosures, walkways, or buildings and structures.
- D. water. However, this exclusion does not apply to:
- 1) water that is contained within any enclosed tank, piping system or any other processing equipment.
- E. animals, standing timber or growing crops.
- F. watercraft or aircraft, except when unfueled and manufactured by the Insured.
- G. vehicles of officers or employees of the Insured or vehicles otherwise insured for physical loss or damage.
- H. underground mines or mine shafts or any property within such mine or shaft.
- I. dams or dikes.
- J. property in transit, except as otherwise provided by this Policy.
- K. property sold by the Insured under conditional sale, trust agreement, installment plan or other deferred payment plan after delivery to customers, except as provided by the INSTALLMENT OR DEFERRED PAYMENTS coverage of this Policy.
- L. electronic data, programs or software, except when they are stock in process, finished goods manufactured by the Insured, raw materials, supplies or other merchandise not manufactured by the Insured, or as otherwise provided by the DATA, PROGRAMS OR SOFTWARE coverage of this Policy.
- M. stock in process, finished goods manufactured by the Insured, raw materials, supplies or other merchandise not manufactured by the Insured.
- N. mobile equipment licensed for highway use or mobile equipment otherwise insured for physical loss or damage.
- O. mobile equipment located in the European Union and the European Economic Area as constituted on 01 July 2013 and the United Kingdom.



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3. EXCLUSIONS

In addition to the exclusions elsewhere in this Policy, the following exclusions apply unless otherwise stated:

A. This Policy excludes:

- 1) indirect or remote loss or damage.
- 2) interruption of business, except to the extent provided by this Policy.
- 3) loss of market or loss of use.
- 4) loss or damage or deterioration arising from any delay.
- 5) mysterious disappearance, loss or shortage disclosed on taking inventory, or any unexplained loss.
- 6) loss from enforcement of any law or ordinance:
 - a) regulating the construction, repair, replacement, use or removal, including debris removal, of any property; or
 - b) requiring the demolition of any property, including the cost in removing its debris;
 except as provided by the DECONTAMINATION COSTS and LAW AND ORDINANCE coverages of this Policy.
- 7) loss resulting from the voluntary parting with title or possession of property if induced by any fraudulent act or by false pretence.

B. This Policy excludes loss or damage directly or indirectly caused by or resulting from any of the following regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss:

- 1) nuclear reaction or nuclear radiation or radioactive contamination. However:
 - a) if physical damage by fire or sprinkler leakage results, then only that resulting damage is insured; but not including any loss or damage due to nuclear reaction, radiation or radioactive contamination.
 - b) this Policy does insure physical damage directly caused by sudden and accidental radioactive contamination, including resultant radiation damage, from material used or stored or from processes conducted on the insured **location**, provided that on the date of loss, there is neither a nuclear reactor nor any new or used nuclear fuel on the insured **location**. This coverage does not apply to any act, loss or damage excluded in item B2f of this EXCLUSIONS clause.



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This exclusion B1 and the exceptions in B1a and B1b do not apply to any act, loss or damage which also comes within the terms of exclusion B2b of this EXCLUSIONS clause.

- 2) a) hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack by any:
 - (i) government or sovereign power (de jure or de facto);
 - (ii) military, naval or air force; or
 - (iii) agent or authority of any party specified in i or ii above.
- b) discharge, explosion or use of any nuclear device, weapon or material employing or involving nuclear fission, fusion or radioactive force, whether in time of peace or war and regardless of who commits the act.
- c) insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an event.
- d) seizure or destruction under quarantine or custom regulation, or confiscation by order of any governmental or public authority.
- e) risks of contraband, or illegal transportation or trade.
- f) **terrorism**, including action taken to prevent, defend against, respond to or retaliate against **terrorism** or suspected **terrorism**, except to the extent provided in the TERRORISM coverage of the Policy. However, if direct loss or damage by fire results from any of these acts (unless committed by or on behalf of the Insured), then this Policy covers only to the extent of the **actual cash value** of the resulting direct loss or damage by fire to property insured. This coverage exception for such resulting fire loss or damage does not apply to:
 - (i) direct loss or damage by fire which results from any other applicable exclusion in the Policy, including the discharge, explosion or use of any nuclear device, weapon or material employing or involving nuclear fission, fusion or radioactive force, whether in time of peace or war and regardless of who commits the act.
 - (ii) any coverage provided in the TIME ELEMENT section of this Policy or to any other coverages provided in this Policy.

Any act which satisfies the definition of **terrorism** shall not be considered to be vandalism, malicious mischief, riot, civil commotion, or any other risk of physical loss or damage covered elsewhere in this Policy.

If any act which satisfies the definition of **terrorism** also comes within the terms of item B2a of this EXCLUSIONS clause then item B2a applies in place of this item B2f exclusion.



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If any act which satisfies the definition of **terrorism** also comes within the terms of item B2b of this EXCLUSIONS clause then item B2b applies in place of this item B2f exclusion.

If any act which satisfies the definition of **terrorism** also comes within the terms of item B2c of this EXCLUSIONS clause then item B2c applies in place of this item B2f exclusion.

If any act excluded herein involves nuclear reaction, nuclear radiation or radioactive contamination, this item B2f exclusion applies in place of item B1 of this EXCLUSIONS clause.

- 3) any dishonest act, including but not limited to theft, committed alone or in collusion with others, at any time:
 - a) by an Insured or any proprietor, partner, director, trustee, officer, or employee of an Insured; or
 - b) by any proprietor, partner, director, trustee, or officer of any business or entity (other than a common carrier) engaged by an Insured to do anything in connection with property insured under this Policy.

This Policy does insure acts of direct insured physical damage intentionally caused by an employee of an Insured or any individual specified in b above, and done without the knowledge of the Insured. This coverage does not apply to any act excluded in B2f of this EXCLUSIONS clause. In no event does this Policy cover loss by theft by any individual specified in a or b above.

- 4) lack of the following services:
 - a) incoming electricity, fuel, water, gas, steam or refrigerant;
 - b) outgoing sewerage;
 - c) incoming or outgoing voice, data or video,

all when caused by an event off the insured **location**, except as provided in the SERVICE INTERRUPTION and OFF PREMISES DATA SERVICES coverages of this Policy. But, if the lack of such a service directly causes insured physical damage on the insured **location**, then only that resulting damage is insured.

- C. This Policy excludes the following, but, if physical damage not excluded by this Policy results, then only that resulting damage is insured:
 - 1) faulty workmanship, material, construction or design from any cause.
 - 2) loss or damage to stock or material attributable to manufacturing or processing operations while such stock or material is being processed, manufactured, tested, or otherwise worked on.



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- 3) deterioration, depletion, rust, corrosion or erosion, wear and tear, inherent vice or latent defect.
- 4) settling, cracking, shrinking, bulging, or expansion of:
 - a) foundations (including any pedestal, pad, platform or other property supporting machinery).
 - b) floors.
 - c) pavements.
 - d) walls.
 - e) ceilings.
 - f) roofs.
- 5) a) changes of temperature damage (except to machinery or equipment); or
b) changes in relative humidity damage,
all whether atmospheric or not.
- 6) insect, animal or vermin damage.
- 7) loss or damage to the interior portion of buildings under construction from rain, sleet or snow, whether or not driven by wind, when the installation of the roof, walls or windows of such buildings has not been completed.
- 8) overloading or the weight of a load exceeding the manufacturer's designated capacity of any mobile equipment.
- 9) collision of mobile equipment.

D. This Policy excludes the following unless directly resulting from other physical damage not excluded by this Policy:

- 1) **contamination**, and any cost due to **contamination** including the inability to use or occupy property or any cost of making property safe or suitable for use or occupancy. If **contamination** due only to the actual not suspected presence of **contaminant(s)** directly results from other physical damage not excluded by this Policy, then only physical damage caused by such **contamination** may be insured. This exclusion D1 does not apply to radioactive contamination which is excluded elsewhere in this Policy.
- 2) shrinkage.
- 3) changes in color, flavor, texture or finish.



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4. APPLICATION OF POLICY TO DATE OR TIME RECOGNITION

With respect to situations caused by any **date or time recognition** problem by **electronic data processing equipment or media** (such as the so-called Year 2000 problem), this Policy applies as follows.

- A. This Policy does not pay for remediation, change, correction, repair or assessment of any **date or time recognition** problem, including the Year 2000 problem, in any **electronic data processing equipment or media**, whether preventative or remedial, and whether before or after a loss, including temporary protection and preservation of property. This Policy does not pay for any TIME ELEMENT loss resulting from the foregoing remediation, change, correction, repair or assessment.
- B. Failure of **electronic data processing equipment or media** to correctly recognize, interpret, calculate, compare, differentiate, sequence, access or process data involving one or more dates or times, including the Year 2000, is not insured physical loss or damage. This Policy does not pay for any such incident or for any TIME ELEMENT loss resulting from any such incident.

Subject to all of its terms and conditions, this Policy does pay for physical loss or damage not excluded by this Policy that results from a failure of **electronic data processing equipment or media** to correctly recognize, interpret, calculate, compare, differentiate, sequence, access or process data involving one or more dates or times, including the Year 2000. Such covered resulting physical loss or damage does not include any loss, cost or expense described in A or B above. If such covered resulting physical loss or damage happens, and if this Policy provides TIME ELEMENT coverage, then, subject to all of its terms and conditions, this Policy also covers any insured Time Element loss directly resulting therefrom.

5. VALUATION

Adjustment of the physical loss amount under this Policy will be computed as of the date of loss at the place of the loss, and for no more than the interest of the Insured.

Unless stated otherwise in an Additional Coverage, adjustment of physical loss to property will be subject to the following:

- A. On stock in process, the value of raw materials and labor expended plus the proper proportion of overhead charges.
- B. On finished goods manufactured by the Insured, the regular cash selling price, less all discounts and charges to which the finished goods would have been subject had no loss happened.
- C. On raw materials, supplies or other merchandise not manufactured by the Insured:
 - 1) if repaired or replaced, the actual expenditure incurred in repairing or replacing the damaged or destroyed property; or



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- 2) if not repaired or replaced, the **actual cash value**.
- D. On exposed films, records, manuscripts and drawings that are not **valuable papers and records**, the value blank plus the cost of copying information from back-up or from originals of a previous generation. These costs will not include research, engineering or any costs of restoring or recreating lost information.
- E. On property that is damaged by fire and such fire is the result of **terrorism**, the **actual cash value** of the fire damage loss. Any remaining fire damage loss shall be adjusted according to the terms and conditions of the Valuation clause(s) in this section of the Policy and shall be subject to the limit(s) of liability for TERRORISM, and if stated the limit of liability for SUPPLEMENTAL UNITED STATES CERTIFIED ACT OF TERRORISM ENDORSEMENT(S), as shown in the LIMITS OF LIABILITY clause in the DECLARATIONS section.
- F. On all other property, the lesser of the following:
- 1) The cost to repair.
 - 2) The cost to rebuild or replace on the same site with new materials of like size, kind and quality.
 - 3) The cost in rebuilding, repairing or replacing on the same or another site, but not to exceed the size and operating capacity that existed on the date of loss.
 - 4) The selling price of real property or machinery and equipment, other than stock, offered for sale on the date of loss.
 - 5) The cost to replace unrepairable electrical or mechanical equipment, including computer equipment, with equipment that is the most functionally equivalent to that damaged or destroyed, even if such equipment has technological advantages and/or represents an improvement in function and/or forms part of a program of system enhancement.
 - 6) The increased cost of demolition, if any, directly resulting from insured loss, if such property is scheduled for demolition.
 - 7) The unamortized value of improvements and betterments, if such property is not repaired or replaced at the Insured's expense.
 - 8) The **actual cash value** if such property is:
 - a) useless to the Insured; or
 - b) not repaired, replaced or rebuilt on the same or another site within two years from the date of loss, unless such time is extended by the Company.

The Insured may elect not to repair or replace the insured real or personal property lost, damaged or destroyed. Loss settlement may be elected on the lesser of repair or replacement cost basis if the proceeds of such loss settlement are expended on other capital expenditures



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related to the Insured's operations within two years from the date of loss. As a condition of collecting under this item, such expenditure must be unplanned as of the date of loss and be made at an insured **location** under this Policy. This item does not extend to LAW AND ORDINANCE.

6. ADDITIONAL COVERAGES

This Policy includes the following Additional Coverages for insured physical loss or damage.

These Additional Coverages:

- 1) are subject to the applicable limit of liability;
- 2) will not increase the Policy limit of liability; and
- 3) are subject to the Policy provisions, including applicable exclusions and deductibles,

all as shown in this section and elsewhere in this Policy.

CYBER ADDITIONAL COVERAGES

A. DATA, PROGRAMS OR SOFTWARE

This Policy covers insured **physical loss or damage to electronic data, programs or software**, including physical loss or damage caused by the malicious introduction of a machine code or instruction.

For the purposes of this Additional Coverage, insured data, programs or software can be anywhere worldwide, including while in transit, except in Cuba, Iran, North Korea, Sudan, Syria or Crimea Region of Ukraine.

With respect to destruction, distortion or corruption caused by the malicious introduction of machine code or instruction, this Additional Coverage will apply when the Period of Liability is in excess of 48 hours.

This Additional Coverage also covers:

- 1) the cost of the following reasonable and necessary actions taken by the Insured provided such actions are taken due to actual insured **physical loss or damage to electronic data, programs or software**:
 - a) actions to temporarily protect and preserve insured electronic data, programs or software.
 - b) actions taken for the temporary repair of insured **physical loss or damage to electronic data, programs or software**.
 - c) actions taken to expedite the permanent repair or replacement of such damaged property.



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- 2) the reasonable and necessary costs incurred by the Insured to temporarily protect or preserve insured electronic data, programs or software against immediately impending insured **physical loss or damage to electronic data, programs or software**. In the event that there is no physical loss or damage, the costs covered under this item will be subject to the deductible that would have applied had there been such physical loss or damage.

Costs recoverable under this Additional Coverage are excluded from coverage elsewhere in this Policy.

This Additional Coverage excludes loss or damage to data, programs or software when they are stock in process, finished goods manufactured by the Insured, raw materials, supplies or other merchandise not manufactured by the Insured.

DATA, PROGRAMS OR SOFTWARE Exclusions: As respects DATA, PROGRAMS OR SOFTWARE, the following applies:

- 1) the exclusions in the EXCLUSIONS clause of this section do not apply except for A1, A2, A6, B1, B2, B3a and B4.
- 2) the following additional exclusions apply:

This Policy excludes the following, but, if physical damage not excluded by this Policy results, then only that resulting damage is insured:

- a) errors or omissions in processing or copying.
- b) loss or damage to data, programs or software from errors or omissions in programming or machine instructions.
- c) deterioration, inherent vice, vermin or wear and tear.

DATA, PROGRAMS OR SOFTWARE Valuation: On property covered under this Additional Coverage the loss amount will not exceed:

- 1) the cost to repair, replace or restore data, programs or software including the costs to recreate, research and engineer;
- 2) if not repaired, replaced or restored within two years from the date of loss, the blank value of the media.

B. OFF PREMISES DATA SERVICES PROPERTY DAMAGE

This Policy covers insured physical loss or damage to insured property at an insured **location** when such physical loss or damage results from the interruption of **off-premises data processing or data transmission services** by reason of any accidental event at the facilities of the provider of such services that immediately prevents in whole or in part the delivery of such provided services.



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For the purposes of this Additional Coverage:

- 1) facilities of the provider of **off-premises data processing or data transmission services** can be located worldwide except in Cuba, Iran, North Korea, Sudan, Syria or Crimea Region of Ukraine, and
- 2) an accidental event to satellites will be considered an accidental event at the facilities of the provider.

This Additional Coverage will apply when the period of interruption of **off-premises data processing or data transmission services** as described below is in excess of 24 hours.

The period of interruption of **off-premises data processing or data transmission services** is the period starting with the time when an interruption of provided services happens; and ending when with due diligence and dispatch the service could be wholly restored.

Additional General Provisions:

- 1) The Insured will immediately notify the company providing **off-premises data processing or data transmission services** of any interruption of such services.
- 2) The Company will not be liable if the interruption of such services is caused directly or indirectly by the failure of the Insured to comply with the terms and conditions of any contracts the Insured has entered into for such specified services.

OFF PREMISES DATA SERVICES PROPERTY DAMAGE Exclusions: As respects OFF PREMISES DATA SERVICES PROPERTY DAMAGE, the following applies:

- 1) Items B4 and C5 of the EXCLUSIONS clause in this section do not apply except for B4 with respect to:
 - a) incoming electricity, fuel, water, gas, steam or refrigerant; and
 - b) outgoing sewerage.

- 2) The following additional exclusion applies:

This Policy excludes loss or damage directly or indirectly caused by or resulting from the following regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss:

- a) **terrorism.**

OTHER ADDITIONAL COVERAGES



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A. ACCIDENTAL INTERRUPTION OF SERVICES

This Policy covers physical damage resulting from changes in temperature or relative humidity to insured property at an insured **location** when such changes in temperature or relative humidity result from the interruption of services consisting of electricity, gas, fuel, steam, water or refrigeration by reason of any accidental event, other than insured physical loss or damage, at the insured **location**.

This Additional Coverage will apply when the period of service interruption as described below is in excess of 24 hours.

The period of service interruption is the period starting with the time when an interruption of specified services happens; and ending when with due diligence and dispatch the service could be wholly restored.

B. ACCOUNTS RECEIVABLE

This Policy covers the following directly resulting from insured physical loss or damage to accounts receivable records while anywhere within this Policy's TERRITORY, including while in transit:

- 1) any shortage in the collection of accounts receivable.
- 2) the interest charges on any loan to offset such impaired collection pending repayment of such uncollectible sum. Unearned interest and service charges on deferred payment accounts and normal credit losses on bad debts will be deducted in determining the amount recoverable.
- 3) the reasonable and necessary cost incurred for material and time required to re-establish or reconstruct accounts receivable records excluding any costs covered by any other insurance.
- 4) any other necessary and reasonable costs incurred to reduce the loss, to the extent the losses are reduced.

Accounts receivable records will include accounts receivable records stored as electronic data.

In the event of loss, the Insured will:

- 1) use all reasonable efforts, including legal action, if necessary, to effect collection of outstanding accounts receivable.
- 2) reduce loss by use of any suitable property or service:
 - a) owned or controlled by the Insured; or
 - b) obtainable from other sources.



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- 3) reconstruct, if possible, accounts receivable records so that no shortage is sustained.

The settlement of loss will be made within 90 days from the date of physical loss or damage. All amounts recovered by the Insured on outstanding accounts receivable on the date of loss will belong and be paid to the Company up to the amount of loss paid by the Company. All recoveries exceeding the amount paid will belong to the Insured.

ACCOUNTS RECEIVABLE Exclusions: As respects ACCOUNTS RECEIVABLE, the following additional exclusions apply:

This Policy does not insure against shortage resulting from:

- 1) bookkeeping, accounting or billing errors or omissions; or
- 2) a) alteration, falsification, manipulation; or
 - b) concealment, destruction or disposal,
 of accounts receivable records committed to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property; but only to the extent of such wrongful giving, taking, obtaining or withholding.

C. AUTOMATIC COVERAGE

This Policy covers insured physical loss or damage to insured property at any **location** purchased, leased or rented by the Insured after the inception date of this Policy.

This Additional Coverage applies:

- 1) from the date of purchase, lease or rental,
- 2) until the first of the following:
 - a) the **location** is bound by the Company.
 - b) agreement is reached that the **location** will not be insured under this Policy.
 - c) the time limit shown in the LIMITS OF LIABILITY clause in the DECLARATIONS section has been reached. The time limit begins on the date of purchase, lease or rental.

D. BRANDS AND LABELS

If branded or labeled insured property is physically damaged and the Company elects to take all or any part of that property, the Insured may at the Company's expense:

- 1) stamp "salvage" on the property or its containers; or
- 2) remove or obliterate the brands or labels,



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if doing so will not damage the property.

The Insured must relabel such property or its containers to be in compliance with any applicable law.

E. CLAIMS PREPARATION COSTS

This Policy covers the actual costs incurred by the Insured:

- 1) of reasonable fees payable to the Insured's: accountants, architects, auditors, engineers, or other professionals; and
- 2) the cost of using the Insured's employees,

for producing and certifying any particulars or details contained in the Insured's books or documents, or such other proofs, information or evidence required by the Company resulting from insured loss payable under this Policy for which the Company has accepted liability.

This Additional Coverage will not cover the fees and costs of:

- 1) attorneys, public adjusters, and loss appraisers, all including any of their subsidiary, related or associated entities either partially or wholly owned by them or retained by them for the purpose of assisting them,
- 2) loss consultants who provide consultation on coverage or negotiate claims.

This Additional Coverage is subject to the deductible that applies to the loss.

F. COINSURANCE DEFICIENCY AND CURRENCY DEVALUATION

This Policy covers the deficiency in the amount of loss payable under the Insured's locally written policy(ies), if any, and its renewals, issued by the Company or its **representative company(ies)**, solely as the result of:

- 1) the application of a coinsurance (or average) clause; or
- 2) official government devaluation of the currency in which the local policy is written,

for physical loss or damage of the type insured under such local policy(ies) to property of the type insured under this Policy.

The Insured agrees to adjust the Policy values as a result of such devaluation within 30 days after the date of the currency's devaluation.

There is no liability under this Additional Coverage if the Insured is unable to recover any loss under such local policy(ies) due to intentional underinsurance by the Insured.



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G. COMMUNICABLE DISEASE RESPONSE

If a **location** owned, leased or rented by the Insured has the actual not suspected presence of **communicable disease** and access to such **location** is limited, restricted or prohibited by:

- 1) an order of an authorized governmental agency regulating the actual not suspected presence of **communicable disease**; or
- 2) a decision of an Officer of the Insured as a result of the actual not suspected presence of **communicable disease**,

this Policy covers the reasonable and necessary costs incurred by the Insured at such **location** with the actual not suspected presence of **communicable disease** for the:

- 1) cleanup, removal and disposal of the actual not suspected presence of **communicable diseases** from insured property; and
- 2) actual costs of fees payable to public relations services or actual costs of using the Insured's employees for reputation management resulting from the actual not suspected presence of **communicable diseases** on insured property.

This Additional Coverage will apply when access to such **location** is limited, restricted or prohibited in excess of 48 hours.

This Additional Coverage does not cover any costs incurred due to any law or ordinance with which the Insured was legally obligated to comply prior to the actual not suspected presence of **communicable disease**.

COMMUNICABLE DISEASE RESPONSE Exclusions: As respects COMMUNICABLE DISEASE RESPONSE, the following additional exclusion applies:

This Policy excludes loss or damage directly or indirectly caused by or resulting from the following regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss:

- 1) **terrorism**.

H. CONSEQUENTIAL REDUCTION IN VALUE

This Policy covers the reduction in value of insured merchandise that is a part of pairs, sets, or components, directly resulting from insured physical loss or damage to other insured parts of pairs, sets or components of such merchandise. If settlement is based on a constructive total loss, the Insured will surrender the undamaged parts of such merchandise to the Company.

I. DEBRIS REMOVAL

This Policy covers the reasonable and necessary costs incurred to remove debris from an insured **location** that remains as a direct result of insured physical loss or damage.



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This Additional Coverage does not cover the costs of removal of:

- 1) contaminated uninsured property; or
- 2) the **contaminant** in or on uninsured property,

whether or not the **contamination** results from insured physical loss or damage. This Additional Coverage covers the costs of removal of contaminated insured property or the **contaminant** in or on insured property only if the **contamination**, due to the actual not suspected presence of **contaminant(s)**, of the debris resulted directly from other physical damage not excluded by the Policy.

J. DECONTAMINATION COSTS

If insured property is contaminated as a direct result of insured physical damage and there is in force at the time of the loss any law or ordinance regulating **contamination** due to the actual not suspected presence of **contaminant(s)**, then this Policy covers, as a direct result of enforcement of such law or ordinance, the increased cost of decontamination and/or removal of such contaminated insured property in a manner to satisfy such law or ordinance. This Additional Coverage applies only to that part of insured property so contaminated due to the actual not suspected presence of **contaminant(s)** as a direct result of insured physical damage.

The Company is not liable for the costs required for removing contaminated uninsured property or the **contaminant** therein or thereon, whether or not the **contamination** results from an insured event.

K. ERRORS AND OMISSIONS

If physical loss or damage is not payable under this Policy solely due to an error or unintentional omission:

- 1) in the description of where insured property is physically located;
- 2) to include any **location**:
 - a) owned, leased or rented by the Insured on the effective date of this Policy; or
 - b) purchased, leased or rented by the Insured during the term of this Policy; or
- 3) that results in cancellation of the property insured under this Policy;

this Policy covers such physical loss or damage, to the extent it would have provided coverage had such error or unintentional omission not been made.

It is a condition of this Additional Coverage that any error or unintentional omission be reported by the Insured to the Company when discovered and corrected.



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L. EXPEDITING COSTS

This Policy covers the reasonable and necessary costs incurred:

- 1) for the temporary repair of insured physical damage to insured property;
- 2) for the temporary replacement of insured equipment suffering insured physical damage; and
- 3) to expedite the permanent repair or replacement of such damaged property.

This Additional Coverage does not cover costs recoverable elsewhere in this Policy, including the cost of permanent repair or replacement of damaged property.

M. FINE ARTS AND VALUABLE PAPERS AND RECORDS

This Policy covers insured physical loss or damage to **fine arts** and **valuable papers and records** while anywhere within this Policy's TERRITORY, including while in transit.

FINE ARTS AND VALUABLE PAPERS AND RECORDS Exclusions: As respects FINE ARTS AND VALUABLE PAPERS AND RECORDS, the following applies:

- 1) the exclusions in the EXCLUSIONS clause of this section do not apply except for A1, A2, A6, A7, B1, B2, B3a and B4.
- 2) the following additional exclusions apply:

This Policy excludes:

- a) currency, money, securities.
- b) errors or omissions in processing or copying of **valuable papers and records**, but, if physical damage not excluded by this Policy results, then only that resulting damage is insured.
- c) deterioration, inherent vice, or wear and tear, but, if physical damage not excluded by this Policy results, then only that resulting damage is insured.
- d) fungus, mold or mildew unless directly resulting from other physical damage not excluded by this Policy.
- e) loss or damage to **fine arts** from any repairing, restoration or retouching process.

FINE ARTS AND VALUABLE PAPERS AND RECORDS Valuation: On property covered under this Additional Coverage the loss amount will not exceed the lesser of the following:

- 1) the cost to repair or restore such property to the physical condition that existed on the date of loss.



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- 2) the cost to replace.
- 3) the value, if any, designated for the item on the schedule on file with the Company.

If a **fine arts** article is part of a pair or set, and a physically damaged article cannot be replaced, or repaired or restored to the condition that existed immediately prior to the loss, the Company will be liable for the lesser of the full value of such pair or set or the amount designated on the schedule. The Insured agrees to surrender the pair or set to the Company.

N. INSTALLMENT OR DEFERRED PAYMENTS

This Policy covers insured physical loss or damage to personal property of the type insured sold by the Insured under a conditional sale or trust agreement or any installment or deferred payment plan and after such property has been delivered to the buyer. Coverage is limited to the unpaid balance for such property.

In the event of loss to property sold under deferred payment plans, the Insured will use all reasonable efforts, including legal action, if necessary, to effect collection of outstanding amounts due or to regain possession of the property.

There is no liability under this Policy for loss:

- 1) pertaining to products recalled including, but not limited to, the costs to recall, test or to advertise such recall by the Insured.
- 2) from theft or conversion by the buyer of the property after the buyer has taken possession of such property.
- 3) to the extent the buyer continues payments.
- 4) not within the TERRITORY of this Policy.

INSTALLMENT OR DEFERRED PAYMENTS Valuation: On property covered under this Additional Coverage the loss amount will not exceed the lesser of the following:

- 1) total amount of unpaid installments less finance charges.
- 2) **actual cash value** of the property at the time of loss.
- 3) cost to repair or replace with material of like size, kind and quality.

O. LAND AND WATER CONTAMINANT CLEANUP, REMOVAL AND DISPOSAL

This Policy covers the reasonable and necessary cost for the cleanup, removal and disposal of the actual not suspected presence of **contaminant(s)** from uninsured property consisting of land, water or any other substance in or on land at the insured **location** if the release, discharge or dispersal of such **contaminant(s)** is a direct result of insured physical loss or damage to insured property.



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This Policy does not cover the cost to cleanup, remove and dispose of **contamination** from such property:

- 1) at any **location** insured for Personal Property only.
- 2) at any property insured under AUTOMATIC COVERAGE, ERRORS AND OMISSIONS or MISCELLANEOUS PROPERTY coverage provided by this Policy.
- 3) when the Insured fails to give written notice of loss to the Company within 180 days after inception of the loss.

P. LAW AND ORDINANCE

This Policy covers the costs as described herein resulting from the Insured's obligation to comply with a law or ordinance, provided that:

- 1) such law or ordinance is enforced as a direct result of insured physical loss or damage at an insured **location**;
- 2) such law or ordinance is in force at the time of such loss or damage; and
- 3) such **location** was not required to be in compliance with such law or ordinance prior to the happening of the insured physical loss or damage.

Coverage A:

The reasonable and necessary costs incurred by the Insured to comply with the enforcement of the minimum requirements of any law or ordinance that regulates the demolition, construction, repair, replacement or use of buildings, structures, machinery or equipment.

As respects insured property, this Coverage A covers the reasonable and necessary costs to:

- 1) demolish any physically damaged and undamaged portions of the insured buildings, structures, machinery or equipment.
- 2) repair or rebuild the physically damaged and undamaged portions, whether or not demolition is required, of such insured buildings, structures, machinery or equipment.

The Company's maximum liability for this Coverage A at each insured **location** in any **occurrence** will not exceed the actual costs incurred in demolishing the physically damaged and undamaged portions of the insured property plus the lesser of:

- 1) the reasonable and necessary cost, excluding the cost of land, to rebuild on another site;
or
- 2) the cost to rebuild on the same site.

Coverage B:



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The reasonable estimated cost to repair, replace or rebuild insured property consisting of buildings, structures, machinery or equipment that the Insured is legally prohibited from repairing, replacing or rebuilding to the same height, floor area, number of units, configuration, occupancy or operating capacity, because of the enforcement of any law or ordinance that regulates the construction, repair, replacement or use of buildings, structures, machinery or equipment.

LAW AND ORDINANCE Coverage B Valuation: On property covered under this Coverage B that cannot legally be repaired or replaced, the loss amount will be the difference between:

- 1) the **actual cash value**; and
- 2) the cost that would have been incurred to repair, replace or rebuild such lost or damaged property had such law or ordinance not been enforced at the time of loss.

LAW AND ORDINANCE Exclusions: As respects LAW AND ORDINANCE, the following additional exclusions apply:

This Policy does not cover:

- 1) any cost incurred as a direct or indirect result of enforcement of any law or ordinance regulating any form of **contamination**.
- 2) any machinery or equipment manufactured by or for the Insured, unless used by the Insured in its operation at the **location** suffering the physical loss or damage.

Q. LOSS PAYMENT INCREASED TAX LIABILITY

This Policy covers the increase in tax liability as described herein incurred by the Insured.

Coverage A:

The increase in tax liability from an insured loss at an insured **location** if the tax treatment of:

- 1) the profit portion of a loss payment under this Policy involving finished stock manufactured by the Insured; and/or
- 2) the profit portion of a TIME ELEMENT loss payment under this Policy;

is greater than the tax treatment of profits that would have been incurred had no loss happened.

Coverage B:

If loss payment under this Policy cannot be made in the country where the loss happened, such loss is to be paid in the currency of this Policy in a country designated by the Insured where such payment is legally permissible. The Insured will cooperate with the Company in



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making every reasonable effort to pay the loss or portion of it in the country in which the loss happened.

The Company will pay the net amount required to offset local taxes on income with due consideration to any tax relief/credit that accrues because of such payment using the Formula described below. Such Formula will not apply if the calculation of additional payment results in an amount less than zero.

The actual payment under this Additional Coverage will be adjusted and reduced by all appropriate tax credits and/or tax relief entitled and/or received by the Insured and/or the local entity where the loss happened provided that an income tax liability is incurred.

Any payment under this Additional Coverage will be made only after completion and acceptance by the Company of audited tax returns for the period in question for both the country where a payment under this Additional Coverage is made and the country where the loss happened.

Formula:

$$\text{Additional Payment} = [a (1 - c) / (1 - b)] - a$$

Where:

- a = loss otherwise payable under this Policy except for operation of this coverage, after due consideration for any applicable deductible(s).
- b = the net effective rate of the sum of: any taxation (a positive number) plus any tax relief/credit (a negative number) that accrues in the country where loss payments are received.
- c = the net effective rate of the sum of: any taxation (a positive number) plus any tax relief/credit (a negative number) that accrues in the country where the loss happened.

The rates referred to will be the respective corporate income tax rates in effect on the date of the loss.

R. MACHINERY OR EQUIPMENT STARTUP OPTION

After insured machinery or equipment that has sustained insured physical loss or damage is repaired or replaced and such machinery or equipment is undergoing startup, the following applies:

If physical loss or damage of the type insured directly results to such machinery or equipment from such startup, the Insured shall have the option of claiming such resulting insured damage as part of the original event of physical loss or damage or as a separate **occurrence**.

This Additional Coverage applies only:

- 1) to the first startup event after the original repair or replacement; and



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- 2) when the first startup event happens during the term of this Policy or its renewal issued by the Company.

For the purposes of this Additional Coverage, startup means:

- 1) the introduction into machinery or equipment of feedstock or other materials for processing or handling;
- 2) the commencement of fuel or energy supply to machinery or equipment.

S. MISCELLANEOUS PROPERTY

This Policy covers insured physical loss or damage to:

- 1) insured property;
- 2) property of the type insured that is under contract to be used in a construction project at an insured **location**:
 - a) from the time such property is delivered to the Insured or their contractor (with respect to the property under construction) by the manufacturer or supplier;
 - b) while such property is located at a storage site; and
 - c) while such property is in transit from a storage site to another storage site or to a construction project at an insured **location**,

that does not include any such property owned or rented by the contractor;

while anywhere within this Policy's TERRITORY, including while in transit.

This Additional Coverage excludes property covered elsewhere in this Policy.

MISCELLANEOUS PROPERTY Exclusions: As respects MISCELLANEOUS PROPERTY, the following additional exclusions apply:

- 1) This Policy excludes:
 - a) **transmission and distribution systems** not at a **location**.
 - b) property insured under import or export ocean marine insurance.
 - c) property shipped between continents.
 - d) airborne shipments unless by regularly scheduled passenger airlines or air freight carriers.



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- e) property of others, including the Insured's legal liability for it, hauled on vehicles owned, leased or operated by the Insured when acting as a common or contract carrier.

T. NEIGHBOUR'S RECOURSE AND TENANT'S LIABILITY

As respects insured **locations** in France, the French Territories, Spain, Italy, Belgium, Greece, Portugal or Luxembourg:

This Policy covers the Insured's liability:

- 1) as a tenant or occupant under the articles of any civil or commercial code toward the owner for direct physical damage of the type insured to real or personal property of the type insured of the owner of the premises.
- 2) under articles of any civil or commercial code toward neighbours, co-tenants and other third parties for direct physical damage of the type insured to real or personal property of the type insured of neighbours, co-tenants and other third parties.
- 3) as landlord under articles of any civil or commercial code for direct physical damage of the type insured to personal property of the type insured of tenants as a result of construction defects or lack of maintenance.
- 4) as tenant or occupant under the articles of any civil or commercial code for total or partial loss of use by the owner of the premises resulting from direct physical damage of the type insured.

U. OPERATIONAL TESTING

This Policy covers insured physical loss or damage to insured property during the **period of operational testing**.

This Additional Coverage excludes property, including stock or material, manufactured or processed by the Insured.

V. PROTECTION AND PRESERVATION OF PROPERTY

This Policy covers:

- 1) reasonable and necessary costs incurred for actions to temporarily protect or preserve insured property; provided such actions are necessary due to actual, or to prevent immediately impending, insured physical loss or damage to such insured property.
- 2) reasonable and necessary:
 - a) fire department firefighting charges imposed as a result of responding to a fire in, on or exposing the insured property.



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- b) costs incurred of restoring and recharging fire protection systems following an insured loss.
- c) costs incurred for the water used for fighting a fire in, on or exposing the insured property.

This Additional Coverage does not cover costs incurred for actions to temporarily protect or preserve insured property from actual, or to prevent immediately impending, physical loss or damage covered by TERRORISM coverage as provided in this section of the Policy.

This Additional Coverage is subject to the deductible provisions that would have applied had the physical loss or damage happened.

W. SERVICE INTERRUPTION PROPERTY DAMAGE

This Policy covers insured physical loss or damage to insured property at an insured **location** when such physical loss or damage results from the interruption of incoming services consisting of electricity, gas, fuel, steam, water, refrigeration or from the lack of outgoing sewerage service by reason of any accidental event at the facilities of the supplier of such service located within this Policy's TERRITORY, that immediately prevents in whole or in part the delivery of such usable service.

This Additional Coverage will apply when the period of service interruption as described below is in excess of 24 hours.

The period of service interruption is the period starting with the time when an interruption of specified services happens; and ending when with due diligence and dispatch the service could be wholly restored.

Additional General Provisions:

- 1) The Insured will immediately notify the suppliers of services of any interruption of such services.
- 2) The Company will not be liable if the interruption of such services is caused directly or indirectly by the failure of the Insured to comply with the terms and conditions of any contracts the Insured has for the supply of such specified services.

SERVICE INTERRUPTION PROPERTY DAMAGE Exclusions: As respects SERVICE INTERRUPTION PROPERTY DAMAGE, the following applies:

- 1) The exclusions in the EXCLUSIONS clause in this section do not apply except for:
 - a) A1, A2, A3, A6, B1, B2, and
 - b) B4 with respect to incoming or outgoing voice, data or video, and
 - c) D1 except with respect to fungus, mold or mildew.



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2) The following additional exclusion applies:

This Policy excludes loss or damage directly or indirectly caused by or resulting from the following regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss:

a) **terrorism.**

X. TEMPORARY REMOVAL OF PROPERTY

When insured property is removed from an insured **location** for the purpose of being repaired or serviced or in order to avoid threatened physical loss or damage of the type insured by this Policy, this Policy covers such property:

- 1) while at the premises to which such property has been moved; and
- 2) for physical loss or damage as provided at the insured **location** from which such property was removed.

This Additional Coverage does not apply to property:

- 1) insured, in whole or in part, elsewhere in this Policy.
- 2) insured, in whole or in part, by any other insurance policy.
- 3) removed for normal storage, processing or preparation for sale or delivery.

Y. TERRORISM

This Policy covers physical loss or damage to property as described in the INSURANCE PROVIDED provision caused by or resulting from **terrorism**.

Any act which satisfies the definition of **terrorism** shall not be considered to be vandalism, malicious mischief, riot, civil commotion, or any other risk of physical loss or damage covered elsewhere in this Policy.

Amounts recoverable under this Additional Coverage are excluded from coverage elsewhere in this Policy.

This Additional Coverage does not cover loss or damage which also comes within the terms of either item B2a or B2c of the EXCLUSIONS clause in this section of the Policy.

This Additional Coverage does not in any event cover loss or damage directly or indirectly caused by or resulting from any of the following, regardless of any other cause or event, whether or not insured under this Policy contributing concurrently or in any other sequence to the loss:

- 1) that involves the use, release or escape of nuclear materials, or that directly or indirectly results in nuclear reaction or radiation or radioactive contamination or that involves the



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discharge, explosion or use of any nuclear device, weapon or material employing or involving nuclear fission, fusion, or radioactive force, whether in time of peace or war and regardless of who commits the act; or

- 2) that is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- 3) in which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials; or
- 4) that involves action taken to prevent, defend against, respond to or retaliate against **terrorism** or suspected **terrorism**.

Z. TRANSPORTATION

This Policy covers the following personal property, except as excluded by this Policy, while in transit within the TERRITORY of this Policy:

- 1) owned by the Insured.
- 2) shipped to customers under F.O.B., C & F or similar terms. The Insured's contingent interest in such shipments is admitted.
- 3) of others in the actual or constructive custody of the Insured to the extent of the Insured's interest or legal liability.
- 4) of others sold by the Insured, that the Insured has agreed prior to the loss to insure during course of delivery including:
 - a) when shipped by the Insured's direct contract service provider or by the Insured's direct contract manufacturer to the Insured or to the Insured's customer.
 - b) when shipped by the Insured's customer to the Insured or to the Insured's contract service provider or to the Insured's contract manufacturer.

Coverage Attachment and Duration:

- 1) This Additional Coverage covers from the time the property leaves the original point of shipment for transit. It then covers continuously in the due course of transit:
 - a) within the continent in which the shipment commences until the property arrives at the destination within such continent; or
 - b) between Europe and Asia, for land or air shipments only, from when the shipment commences until the property arrives at the destination.
- 2) However, coverage on export shipments not insured under ocean cargo policies ends when the property is loaded on board overseas vessels or aircraft. Coverage on import



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shipments not insured under ocean cargo policies begins after discharge from overseas vessels or aircraft.

This Additional Coverage:

- 1) covers general average and salvage charges on shipments covered while waterborne.
- 2) insures physical loss or damage caused by or resulting from:
 - a) unintentional acceptance of fraudulent bills of lading, shipping or messenger receipts.
 - b) improper parties having gained possession of property through fraud or deceit.

Additional General Provisions:

- 1) This Additional Coverage will not inure directly or indirectly to the benefit of any carrier or bailee.
- 2) The Insured has permission, without prejudicing this insurance, to accept:
 - a) ordinary bills of lading used by carriers;
 - b) released bills of lading;
 - c) undervalued bills of lading; and
 - d) shipping or messenger receipts.
- 3) The Insured may waive subrogation against railroads under side track agreements.

Except as otherwise stated, the Insured will not enter into any special agreement with carriers releasing them from their common law or statutory liability.

TRANSPORTATION Exclusions: As respects TRANSPORTATION, the following applies:

- 1) the exclusions in the EXCLUSIONS clause of this section do not apply except for A1 through A4, B1 through B4, C1, C3, C5, C6, D1 through D3.
- 2) the following additional exclusions apply:

This Policy excludes:

- a) samples in the custody of salespeople or selling agents.
- b) property insured under import or export ocean marine insurance.
- c) waterborne shipments, unless:



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- (i) by inland water; or
- (ii) by roll-on/roll-off ferries operating between European ports; or
- (iii) by coastal shipments.
- d) airborne shipments unless by regularly scheduled passenger airlines or air freight carriers.
- e) property of others, including the Insured's legal liability for it, hauled on vehicles owned, leased or operated by the Insured when acting as a common or contract carrier.
- f) any transporting vehicle.
- g) property shipped between continents, except by land or air between Europe and Asia.

TRANSPORTATION Valuation: On property covered under this Additional Coverage the loss amount will not exceed:

- 1) Property shipped to or for the account of the Insured will be valued at actual invoice to the Insured. Included in the value are accrued costs and charges legally due. Charges may include the Insured's commission as selling agent.
- 2) Property sold by the Insured and shipped to or for the purchaser's account will be valued at the Insured's selling invoice amount. Prepaid or advanced freight costs are included.
- 3) Property not under invoice will be valued:
 - a) for property of the Insured, at the valuation provisions of this Policy applying at the place from which the property is being transported; or
 - b) for other property, at the actual cash market value at the destination point on the date of loss,

less any charges saved which would have become due and payable upon arrival at destination.



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TIME ELEMENT

TIME ELEMENT loss as provided in the TIME ELEMENT COVERAGES and TIME ELEMENT COVERAGE EXTENSIONS of this section of the Policy:

- A. is subject to the applicable limit of liability that applies to the insured physical loss or damage but in no event for more than any limit of liability that is stated as applying to the specific TIME ELEMENT COVERAGE and/or TIME ELEMENT COVERAGE EXTENSION; and
 - B. will not increase the Policy limit of liability; and
 - C. is subject to the Policy provisions, including applicable exclusions and deductibles,
- all as shown in this section and elsewhere in this Policy.

1. LOSS INSURED

- A. This Policy insures TIME ELEMENT loss, as provided in the TIME ELEMENT COVERAGES, directly resulting from physical loss or damage of the type insured:
 - 1) to property described elsewhere in this Policy and not otherwise excluded by this Policy or otherwise limited in the TIME ELEMENT COVERAGES below;
 - 2) used by the Insured, or for which the Insured has contracted use;
 - 3) while located as described in the INSURANCE PROVIDED provision or within 1,000 feet/300 metres thereof, or as described in the TEMPORARY REMOVAL OF PROPERTY provision; or
 - 4) while in transit as provided by this Policy, and
 - 5) during the Periods of Liability described in this section,

provided such loss or damage is not at a **contingent time element location**.
- B. This Policy insures TIME ELEMENT loss only to the extent it cannot be reduced through:
 - 1) the use of any property or service owned or controlled by the Insured;
 - 2) the use of any property or service obtainable from other sources;
 - 3) working extra time or overtime; or
 - 4) the use of inventory,

all whether at an insured **location** or at any other premises. The Company reserves the right to take into consideration the combined operating results of all associated, affiliated or subsidiary companies of the Insured in determining the TIME ELEMENT loss.



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- C. This Policy covers expenses reasonably and necessarily incurred by the Insured to reduce the loss otherwise payable under this section of this Policy. The amount of such recoverable expenses will not exceed the amount by which the loss has been reduced.
- D. In determining the amount of loss payable, the Company will consider the experience of the business before and after and the probable experience during the PERIOD OF LIABILITY. The probable experience will consider any increase or decrease in demand for the Insured's goods or services during the PERIOD OF LIABILITY, even if such increase or decrease is from the same event that caused physical loss or damage starting the PERIOD OF LIABILITY.

2. TIME ELEMENT COVERAGES

A. INSURED OPTION

The Insured has the option to make claim based on either

- a) GROSS EARNINGS and EXTENDED PERIOD OF LIABILITY; or
- b) GROSS PROFIT,

as described in the TIME ELEMENT section of this Policy and subject to the applicable terms and conditions as may be shown elsewhere.

Such option may be exercised at any time prior to the conditions set forth in the SETTLEMENT OF CLAIMS clause in the LOSS ADJUSTMENT AND SETTLEMENT section of this Policy.

If such claim involves more than one insured **location**, including interdependency at one or more insured **locations**, such claim will be adjusted by using the single coverage option chosen above.

B. GROSS EARNINGS

Measurement of Loss:

- 1) The recoverable GROSS EARNINGS loss is the Actual Loss Sustained by the Insured of the following during the PERIOD OF LIABILITY:
 - a) Gross Earnings;
 - b) less all charges and expenses that do not necessarily continue during the interruption of production or suspension of business operations or services;
 - c) plus all other earnings derived from the operation of the business.
- 2) For the purposes of the Measurement of Loss, Gross Earnings is:



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for manufacturing operations: the net sales value of production less the cost of all raw stock, materials and supplies used in such production; or

for mercantile or non-manufacturing operations: the total net sales less cost of merchandise sold, materials and supplies consumed in the operations or services rendered by the Insured.

Any amount recovered under property damage coverage at selling price will be considered to have been sold to the Insured's regular customers and will be credited against net sales.

- 3) In determining the indemnity payable as the Actual Loss Sustained, the Company will consider the continuation of only those normal charges and expenses that would have been earned had there been no interruption of production or suspension of business operations or services.
- 4) There is recovery hereunder to the extent that the Insured is:
 - a) wholly or partially prevented from producing goods or continuing business operations or services;
 - b) unable to make up lost production within a reasonable period of time, not limited to the period during which production is interrupted;
 - c) unable to continue such operations or services during the PERIOD OF LIABILITY; and
 - d) able to demonstrate a loss of sales for the operations, services or production prevented.

C. GROSS PROFIT

Measurement of Loss:

- 1) The recoverable GROSS PROFIT loss is the Actual Loss Sustained by the Insured of the following due to the necessary interruption of business during the PERIOD OF LIABILITY: a) Reduction in Sales and b) Increase in Cost of Doing Business. The amount payable as indemnity hereunder will be:
 - a) with respect to Reduction in Sales: The sum produced by applying the Rate of Gross Profit to the amount by which the sales during the PERIOD OF LIABILITY will fall short of the Standard Sales. In determining the Reduction in Sales, any amount recovered under property damage coverage at selling price will be credited against lost sales.
 - b) with respect to Increase in Cost of Doing Business:



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- (i) the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in sales which, but for that expenditure, would have taken place during the PERIOD OF LIABILITY; but
- (ii) not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided,

all less any sum saved during the PERIOD OF LIABILITY with respect to such of the Insured Fixed Charges as may cease or be reduced because of such interruption of business.

2) For the purposes of the Measurement of Loss:

Gross Profit is:

The amount produced by adding to the Net Profit the amount of the Insured Fixed Charges, or if there be no Net Profit the amount of the Insured Fixed Charges less that proportion of any loss from business operations as the amount of the Insured Fixed Charges bears to all fixed charges.

Net Profit is:

The net operating profit (exclusive of all capital receipts and accruals and all outlay properly chargeable to capital) resulting from the business of the Insured at the insured **locations** after due provision has been made for all fixed charges and other expenses including depreciation but before the deduction of any taxes on profits.

Insured Fixed Charges is:

All fixed charges unless specifically excluded herein.

Sales is:

The money paid or payable to the Insured for goods sold and delivered and for services rendered in the conduct of the business at an insured **location**.

Rate of Gross Profit is:

The rate of Gross Profit earned on the sales during the twelve full calendar months immediately before the date of the physical loss or damage to the described property.

Standard Sales is:

The sales during that period in the twelve months immediately before the date of the physical loss or damage to the described property which corresponds with the PERIOD OF LIABILITY.

3) In determining the indemnity payable as the Actual Loss Sustained:



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- a) if any fixed charges of the business are not insured hereunder, then, in computing the amount recoverable hereunder as Increase in Cost of Doing Business, that proportion only of the additional expenditure will be recoverable hereunder which the sum of the Net Profit and the Insured Fixed Charges bears to the sum of the Net Profit and all the fixed charges.
 - b) if during the PERIOD OF LIABILITY goods will be sold or services will be rendered elsewhere than at the insured **locations** for the benefit of the business, either by the Insured or by others on the Insured's behalf, the money paid or payable in respect of such sales or services will be included in arriving at the amount of sales during the PERIOD OF LIABILITY.
- 4) The Insured will act with due diligence and dispatch in repairing or replacing physically damaged buildings and equipment to the same or equivalent physical and operating conditions that existed prior to the damage; and take whatever actions are necessary and reasonable to minimize the loss payable hereunder.

GROSS PROFIT Exclusions: As respects GROSS PROFIT, the TIME ELEMENT EXCLUSIONS B and C of this section do not apply and the following applies instead:

This Policy does not insure against any increase in loss due to damages for breach of contract or for late or noncompletion of orders, or fines or penalties of any nature except fines or penalties for breach of contract or for late or noncompletion of orders.

Coverage under GROSS PROFIT for the reduction in sales due to contract cancellation will include only those sales that would have been earned under the contract during the PERIOD OF LIABILITY.

D. EXTRA EXPENSE

Measurement of Loss:

The recoverable EXTRA EXPENSE loss will be the reasonable and necessary extra costs incurred by the Insured of the following during the PERIOD OF LIABILITY:

- 1) extra expenses to temporarily continue as nearly **normal** as practicable the conduct of the Insured's business;
- 2) extra costs of temporarily using property or facilities of the Insured or others; and
- 3) costs to purchase finished goods from third parties to fulfill orders when such orders cannot be met due to physical loss or damage to the Insured's finished goods, less payment received for the sale of such finished goods.

less any value remaining at the end of the PERIOD OF LIABILITY for property obtained in connection with the above.



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If the Insured makes claim in accordance with the terms and conditions of the INSURED OPTION clause, the PERIOD OF LIABILITY for EXTRA EXPENSE coverage will be the PERIOD OF LIABILITY applicable to the Time Element coverage option selected.

EXTRA EXPENSE Exclusions: As respects EXTRA EXPENSE, the following applies:

- 1) TIME ELEMENT EXCLUSIONS C does not apply to item 3 above.
- 2) The following additional exclusions apply:

This Policy does not insure:

- a) any loss of income.
- b) costs that usually would have been incurred in conducting the business during the same period had no physical loss or damage happened.
- c) costs of permanent repair or replacement of property that has been damaged or destroyed. However, this exclusion does not apply to item 3 above.
- d) any expense recoverable elsewhere in this Policy.

E. LEASEHOLD INTEREST

Measurement of Loss:

The recoverable LEASEHOLD INTEREST incurred by the Insured of the following:

- 1) If the lease agreement requires continuation of rent; and if the property is wholly untenable or unusable, the actual rent payable for the unexpired term of the lease; or if the property is partially untenable or unusable, the proportion of the rent payable for the unexpired term of the lease.
- 2) If the lease is cancelled by the lessor pursuant to the lease agreement or by the operation of law; the Lease Interest for the first three months following the loss; and the Net Lease Interest for the remaining unexpired term of the lease.
- 3) As used above, the following terms mean:

Net Lease Interest:

That sum which placed at 6% interest rate compounded annually would equal the Lease Interest (less any amounts otherwise payable hereunder).

Lease Interest:

The excess rent paid for the same or similar replacement property over actual rent payable plus cash bonuses or advance rent paid (including maintenance or operating charges) for each month during the unexpired term of the Insured's lease.



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LEASEHOLD INTEREST Exclusions: As respects LEASEHOLD INTEREST, the following applies:

- 1) This Policy does not insure loss directly resulting from physical loss or damage to Personal Property.
- 2) TIME ELEMENT EXCLUSIONS A, B and C do not apply and the following applies instead:

This Policy does not insure any increase in loss resulting from the suspension, lapse or cancellation of any license, or from the Insured exercising an option to cancel the lease; or from any act or omission of the Insured that constitutes a default under the lease.

F. RENTAL INSURANCE

Measurement of Loss:

The recoverable RENTAL INSURANCE loss is the Actual Loss Sustained by the Insured of the following during the PERIOD OF LIABILITY:

- 1) the fair rental value of any portion of the property occupied by the Insured;
- 2) the income reasonably expected from rentals of unoccupied or unrented portions of such property; and
- 3) the rental income from the rented portions of such property according to bona fide leases, contracts or agreements in force at the time of loss,

all not to include noncontinuing charges and expenses.

RENTAL INSURANCE Exclusions: As respects RENTAL INSURANCE, TIME ELEMENT EXCLUSIONS A does not apply and the following applies instead:

This Policy does not insure any loss of rental income during any period in which the insured property would not have been tenantable for any reason other than an insured loss.

3. PERIOD OF LIABILITY

- A. The PERIOD OF LIABILITY applying to all TIME ELEMENT COVERAGES, except GROSS PROFIT and LEASEHOLD INTEREST and as shown below or if otherwise provided under any TIME ELEMENT COVERAGE EXTENSION, and subject to any Time Limit provided in the LIMITS OF LIABILITY clause in the DECLARATIONS section, is as follows:

- 1) For building and equipment, the period:
 - a) starting from the time of physical loss or damage of the type insured; and
 - b) ending when with due diligence and dispatch the building and equipment could be:



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- (i) repaired or replaced; and
 - (ii) made ready for operations,

under the same or equivalent physical and operating conditions that existed prior to the damage.
- c) not to be limited by the expiration of this Policy.
- 2) For building and equipment under construction:
 - a) the equivalent of the above period of time will be applied to the level of business that would have been reasonably achieved after construction and startup would have been completed had no physical damage happened; and
 - b) due consideration will be given to the actual experience of the business compiled after completion of the construction and startup.
- 3) For stock-in-process and mercantile stock, including finished goods not manufactured by the Insured, the time required with the exercise of due diligence and dispatch:
 - a) to restore stock in process to the same state of manufacture in which it stood at the inception of the interruption of production or suspension of business operations or services; and
 - b) to replace physically damaged mercantile stock.

This item does not apply to RENTAL INSURANCE.
- 4) For raw materials and supplies, the period of time:
 - a) of actual interruption of production or suspension of operations or services resulting from the inability to get suitable raw materials and supplies to replace similar ones damaged; but
 - b) limited to that period for which the damaged raw materials and supplies would have supplied operating needs.
- 5) If water:
 - a) used for any manufacturing purpose, including but not limited to as a raw material or for power;
 - b) stored behind dams or in reservoirs; and
 - c) on any insured **location**,



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is released as the result of physical damage of the type insured to such dam, reservoir or connected equipment, the Company's liability for the actual interruption of production or suspension of operations or services due to inadequate water supply will not extend beyond 30 consecutive days after the damaged dam, reservoir or connected equipment has been repaired or replaced.

This item does not apply to RENTAL INSURANCE.

- 6) For physically damaged exposed films, records, manuscripts and drawings, the time required to copy from backups or from originals of a previous generation. This time does not include research, engineering or any other time necessary to restore or recreate lost information.

This item does not apply to RENTAL INSURANCE.

- 7) For physically damaged or destroyed property covered under DATA, PROGRAMS OR SOFTWARE, the time to recreate or restore including the time for researching or engineering lost information.

This item does not apply to RENTAL INSURANCE.

B. The PERIOD OF LIABILITY applying to GROSS PROFIT is as follows:

1) The period:

- a) starting from the time of physical loss or damage of the type insured; and
- b) ending not later than the period of time shown in the LIMITS OF LIABILITY clause of the DECLARATIONS section,

during which period the results of the business shall be directly affected by such damage.

- c) not to be limited by the expiration of this Policy.

2) For property under construction, the period:

- a) starting on the date that production, business operation or service would have commenced if physical damage of the type insured had not happened; and
- b) ending not later than the period of time shown in the LIMITS OF LIABILITY clause of the DECLARATIONS section,

during which period the results of the business shall be directly affected by such damage.

- c) not to be limited by the expiration of this Policy.



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The Rate of Gross Profit and Standard Sales will be based on the experience of the business after construction is completed and the probable experience during the PERIOD OF LIABILITY.

- C. The PERIOD OF LIABILITY does not include any additional time due to the Insured's inability to resume operations for any reason, including but not limited to:
- 1) making changes to the buildings, structures, machinery or equipment except as provided in the LAW AND ORDINANCE clause in the PROPERTY DAMAGE section.
 - 2) restaffing or retraining employees. However, this item does not apply to additional time needed to train staff to use new machinery or equipment that replaces machinery or equipment that suffered insured physical loss or damage, provided such training is completed within 90 consecutive days after the new machinery or equipment has been installed.

If two or more Periods of Liability apply such periods will not be cumulative.

4. TIME ELEMENT EXCLUSIONS

In addition to the exclusions elsewhere in this Policy, the following exclusions apply to TIME ELEMENT loss:

This Policy does not insure:

- A. Any loss during any idle period, including but not limited to when production, operation, service or delivery or receipt of goods would cease, or would not have taken place or would have been prevented due to:
- 1) physical loss or damage not insured by this Policy on or off of the insured **location**.
 - 2) planned or rescheduled shutdown.
 - 3) strikes or other work stoppage.
 - 4) any other reason other than physical loss or damage insured under this Policy.
- B. Any increase in loss due to:
- 1) suspension, cancellation or lapse of any lease, contract, license or orders.
 - 2) damages for breach of contract or for late or noncompletion of orders.
 - 3) fines or penalties of any nature except fines or penalties for breach of contract or for late or noncompletion of orders.
 - 4) any other consequential or remote loss.



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- C. Any loss resulting from physical loss or damage to finished goods manufactured by the Insured, or the time required for their reproduction.
- D. Any loss resulting from the **actual cash value** portion of direct physical loss or damage by fire caused by or resulting from **terrorism**.

5. TIME ELEMENT COVERAGE EXTENSIONS

This Policy also insures TIME ELEMENT loss, as provided by the TIME ELEMENT COVERAGES of this Policy, for the TIME ELEMENT COVERAGE EXTENSIONS described below.

CYBER TIME ELEMENT COVERAGE EXTENSIONS

A. COMPUTER SYSTEMS NON PHYSICAL DAMAGE

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the period of interruption directly resulting from:

- 1) the failure of the Insured's **electronic data processing equipment or media** to operate, provided that such failure is the direct result of a malicious act directed at the NAMED INSURED; or
- 2) the Insured's reasonable action to temporarily protect the Insured's **electronic data processing equipment or media** against an actual or immediately impending malicious act directed at the NAMED INSURED, provided such action is necessary to prevent failure of the Insured's **electronic data processing equipment or media** to operate.

For the purposes of this Extension, the Insured's **electronic data processing equipment or media** can be located worldwide except in Cuba, Iran, North Korea, Sudan, Syria or Crimea Region of Ukraine.

As respects item 1 above, this Extension will apply when the period of interruption is in excess of 48 hours.

As used above, the period of interruption:

- 1) is the period starting when the Insured's **electronic data processing equipment or media** fails to operate and ending when with due diligence and dispatch, the Insured's **electronic data processing equipment or media** could be restored to the same or equivalent operating condition that existed prior to the failure.
- 2) does not include the additional time to make changes to the Insured's **electronic data processing equipment or media**.

B. OFF PREMISES DATA SERVICES TIME ELEMENT

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the period of interruption at an insured **location** of **off-premises data**



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processing or data transmission services, when the interruption is caused by any accidental event at the facilities of the provider of such services that immediately prevents in whole or in part the delivery of such provided services.

For the purposes of this Extension:

- 1) facilities of the provider of **off-premises data processing or data transmission services** can be located worldwide except in Cuba, Iran, North Korea, Sudan, Syria or Crimea Region of Ukraine, and
- 2) an accidental event to satellites will be considered an accidental event at the facilities of the provider.

This Extension will apply when the period of interruption of **off-premises data processing or data transmission services** is in excess of 24 hours.

Additional General Provisions:

- 1) The Insured will immediately notify the company providing **off-premises data processing or data transmission services** of any interruption of such services.
- 2) The Company will not be liable if the interruption of such services is caused directly or indirectly by the failure of the Insured to comply with the terms and conditions of any contracts the Insured has entered into for such specified services.

Coverage provided in this Extension is excluded from coverage elsewhere in this Policy.

This Extension does not cover Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured covered by COMPUTER SYSTEMS NON PHYSICAL DAMAGE coverage as provided in this section of the Policy.

OFF PREMISES DATA SERVICES TIME ELEMENT Exclusions: As respects OFF PREMISES DATA SERVICES TIME ELEMENT, the following applies:

- 1) Item B4 of the EXCLUSIONS clause in the PROPERTY DAMAGE section does not apply except for B4 with respect to:
 - a) incoming electricity, fuel, water, gas, steam or refrigerant; and
 - b) outgoing sewerage.
- 2) The following additional exclusion applies:

This Policy excludes loss or damage directly or indirectly caused by or resulting from the following regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss:

- a) **terrorism.**



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As used above, the period of interruption of **off-premises data processing or data transmission services**:

- 1) is the period starting with the time when an interruption of provided services happens; and ending when with due diligence and dispatch the service could be wholly restored and the **location** receiving the service could or would have resumed normal operations following the restorations of service under the same or equivalent physical and operating conditions as provided by the PERIOD OF LIABILITY clause in this section.
- 2) is limited to only those hours during which the Insured would or could have used service(s) if it had been available.
- 3) does not extend to include the interruption of operations caused by any reason other than interruption of the provided service(s).

SUPPLY CHAIN TIME ELEMENT COVERAGE EXTENSIONS

A. CIVIL OR MILITARY AUTHORITY

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the PERIOD OF LIABILITY if an order of civil or military authority limits, restricts or prohibits partial or total access to an insured **location** provided such order is the direct result of physical damage of the type insured at the insured **location** or within five statute miles/eight kilometres of it.

This Extension does not apply to LEASEHOLD INTEREST.

The PERIOD OF LIABILITY for this TIME ELEMENT COVERAGE EXTENSION will be:

The period of time:

- 1) starting at the time of such physical damage; but
- 2) not to exceed the time limit shown in the LIMITS OF LIABILITY clause in the DECLARATIONS section,

this period of time is part of and not in addition to any PERIOD OF LIABILITY applying to any coverage provided in the TIME ELEMENT section.

B. CONTINGENT TIME ELEMENT EXTENDED

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the PERIOD OF LIABILITY directly resulting from physical loss or damage of the type insured to property of the type insured at **contingent time element locations** located within the TERRITORY of this Policy.

As respects CONTINGENT TIME ELEMENT EXTENDED:



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- 1) Time Element loss recoverable under this Extension is extended to include the following TIME ELEMENT COVERAGE EXTENSIONS:

CIVIL OR MILITARY AUTHORITY
CONTINGENT TIME ELEMENT EXTENDED
DELAY IN STARTUP
EXTENDED PERIOD OF LIABILITY
INGRESS/EGRESS
OFF PREMISES DATA SERVICES TIME ELEMENT
ON PREMISES SERVICES
SERVICE INTERRUPTION TIME ELEMENT

- 2) The Insured will influence and cooperate with the **contingent time element location** in every way and take any reasonable and necessary action to mitigate the loss payable hereunder.
- 3) TIME ELEMENT EXCLUSIONS C does not apply.

CONTINGENT TIME ELEMENT EXTENDED Exclusions: As respects CONTINGENT TIME ELEMENT EXTENDED, the following additional exclusions apply:

This Policy does not insure loss resulting from:

- 1) lack of incoming or outgoing transmission of voice, data or video.
- 2) physical loss or damage caused by or resulting from **terrorism**, regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence of loss.

C. INGRESS/EGRESS

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured due to the necessary interruption of the Insured's business due to partial or total physical prevention of ingress to or egress from an insured **location**, whether or not the premises or property of the Insured is damaged, provided that such prevention is a direct result of physical damage of the type insured to property of the type insured.

INGRESS/EGRESS Exclusions: As respects INGRESS/EGRESS, the following additional exclusions apply:

This Policy does not insure loss resulting from:

- 1) lack of incoming or outgoing service consisting of electric, fuel, gas, water, steam, refrigerant, sewerage and voice, data or video.
- 2) picketing or other action by strikers except for physical damage not excluded by this Policy.



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- 3) physical loss or damage caused by or resulting from **terrorism**, regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss.

This Policy does not provide coverage under this Extension for more than the number of consecutive days shown in the LIMITS OF LIABILITY clause of the DECLARATIONS section.

D. LOGISTICS EXTRA COST

This Policy covers the extra cost incurred by the Insured during the PERIOD OF LIABILITY due to the disruption of the **normal** movement of goods or materials:

- 1) directly between insured **locations**; or
- 2) directly between an insured **location** and a **location** of a direct customer, supplier, contract manufacturer or contract service provider to the Insured,

provided that such disruption is a direct result of physical loss or damage of the type insured to property of the type insured located within the TERRITORY of this Policy.

Measurement of Loss:

The recoverable extra cost loss will be the reasonable and necessary extra costs incurred by the Insured of the following:

- 1) extra costs to temporarily continue as nearly **normal** as practicable the movement of goods or materials.

This Extension will apply when the PERIOD OF LIABILITY is in excess of 48 hours except 168 hours applies for **earth movement** and/or **flood** and/or **wind**.

LOGISTICS EXTRA COST Exclusions: As respects LOGISTICS EXTRA COST, the following additional exclusions apply:

This Policy does not insure:

- 1) any loss resulting from disruption in the movement of goods or materials between **contingent time element locations**.
- 2) any loss resulting from disruption of incoming or outgoing services consisting of electricity, gas, fuel, steam, water, refrigeration, sewerage and voice, data or video.
- 3) any loss of income.
- 4) costs that usually would have been incurred in conducting the business during the same period had there been no disruption of **normal** movement of goods or materials.



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- 5) costs of permanent repair or replacement of property that has been damaged or destroyed.
- 6) any expense recoverable elsewhere in this Policy.
- 7) any loss resulting from disruption caused by or resulting from **terrorism**, regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss.
- 8) any loss resulting from disruption caused by loss or damage from **earth movement** in California, in the **New Madrid Seismic Zone** or in the **Pacific Northwest Seismic Zone**.
- 9) any loss resulting from disruption caused by physical loss or damage to personal property of the Insured while in transit.

The PERIOD OF LIABILITY for this TIME ELEMENT COVERAGE EXTENSION will be:

The period of time:

- 1) starting at the time of physical loss or damage causing the disruption of the **normal** movement of goods or materials directly between insured **locations**; or directly between the insured **location** and the **location** of the direct customer, supplier, contract manufacturer or contract service provider to the Insured, and
- 2) ending not later than:
 - a) when with due diligence and dispatch the **normal** movement of goods or materials directly between insured **locations**; or directly between the insured **location** and the **location** of the direct customer, supplier, contract manufacturer or contract service provider to the Insured could be resumed; or
 - b) the number of consecutive days shown in the LIMITS OF LIABILITY clause of the DECLARATIONS section.

E. SERVICE INTERRUPTION TIME ELEMENT

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the period of service interruption at an insured **location** when the loss is caused by the interruption of incoming services consisting of electricity, gas, fuel, steam, water, refrigeration or from the lack of outgoing sewerage service by reason of any accidental event at the facilities of the supplier of such service located within this Policy's TERRITORY, that immediately prevents in whole or in part the delivery of such usable services.

This Extension will apply when the period of service interruption is in excess of 24 hours.

Additional General Provisions:



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- 1) The Insured will immediately notify the suppliers of services of any interruption of such services.
- 2) The Company will not be liable if the interruption of such services is caused directly or indirectly by the failure of the Insured to comply with the terms and conditions of any contracts the Insured has for the supply of such specified services.

SERVICE INTERRUPTION TIME ELEMENT Exclusions: As respects SERVICE INTERRUPTION TIME ELEMENT, the following applies:

- 1) The exclusions in the EXCLUSIONS clause in the PROPERTY DAMAGE section do not apply except for:
 - a) A1, A2, A3, A6, B1, B2, and
 - b) B4 with respect to incoming or outgoing voice, data or video, and
 - c) D1 except with respect to fungus, mold or mildew.
- 2) The following additional exclusion applies:

This Policy excludes loss or damage directly or indirectly caused by or resulting from the following regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss:

- a) **terrorism.**

As used above, the period of service interruption:

- 1) is the period starting with the time when an interruption of specified services happens; and ending when with due diligence and dispatch the service could be wholly restored and the **location** receiving the service could or would have resumed normal operations following the restorations of service under the same or equivalent physical and operating conditions as provided by the PERIOD OF LIABILITY clause in this section.
- 2) is limited to only those hours during which the Insured would or could have used service(s) if it had been available.
- 3) does not extend to include the interruption of operations caused by any reason other than interruption of the specified service(s).

ADDITIONAL TIME ELEMENT COVERAGE EXTENSIONS

A. ATTRACTION PROPERTY

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the PERIOD OF LIABILITY directly resulting from physical loss or damage



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of the type insured to property of the type insured that attracts business to an insured **location** and is within 1 statute mile/1.6 kilometres of the insured **location**.

ATTRACTION PROPERTY Exclusions: As respects ATTRACTION PROPERTY, the following additional exclusion applies:

This Policy does not insure loss resulting from:

- 1) physical loss or damage caused by or resulting from **terrorism**, regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss.

The PERIOD OF LIABILITY for this TIME ELEMENT COVERAGE EXTENSION will be:

The period of time:

- 1) starting at the time of such physical damage; but
- 2) not to exceed the time limit shown in the LIMITS OF LIABILITY clause in the DECLARATIONS section.

B. CRISIS MANAGEMENT

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the PERIOD OF LIABILITY if an order of civil or military authority limits, restricts or prohibits partial or total access to an insured **location**, provided such order is a direct result of:

- 1) a violent crime, suicide, attempted suicide, or armed robbery; or
- 2) a death or bodily injury caused by a workplace accident;

at such insured **location**.

For the purposes of this Extension only, a workplace accident shall be considered a sudden, fortuitous event that happens during working hours and arises out of work performed in the course and the scope of employment.

This Extension of coverage will apply when the PERIOD OF LIABILITY is in excess of 4 hours.

CRISIS MANAGEMENT Exclusions: As respects CRISIS MANAGEMENT, the following additional exclusion applies:

This Policy excludes loss or damage directly or indirectly caused by or resulting from the following regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss:



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1) **terrorism.**

The PERIOD OF LIABILITY for this TIME ELEMENT COVERAGE EXTENSION will be:

The period of time:

- 1) starting with the time the civil or military authority prohibits access; but
- 2) not to exceed the time limit shown in the LIMITS OF LIABILITY clause in the DECLARATIONS section.

C. DELAY IN STARTUP

GROSS EARNINGS or GROSS PROFIT and EXTRA EXPENSE are extended to cover the Actual Loss Sustained incurred by the Insured during the PERIOD OF LIABILITY due to the reasonable and necessary delay in startup of business operations directly resulting from physical loss or damage of the type insured to insured property under construction at an insured **location**.

D. EXTENDED PERIOD OF LIABILITY

The GROSS EARNINGS coverage is extended to cover the reduction in sales resulting from:

- 1) the interruption of business as covered by GROSS EARNINGS;
- 2) for such additional length of time as would be required with the exercise of due diligence and dispatch to restore the Insured's business to the condition that would have existed had no loss happened; and
- 3) commencing with the date on which the liability of the Company for loss resulting from interruption of business would terminate if this Extension had not been included in this Policy.

However, this Extension does not apply to GROSS EARNINGS loss resulting from physical loss or damage caused by or resulting from **terrorism**.

EXTENDED PERIOD OF LIABILITY Exclusions: As respects EXTENDED PERIOD OF LIABILITY, the TIME ELEMENT EXCLUSIONS B of this section does not apply and the following applies instead:

This Policy does not insure against any increase in loss due to damages for breach of contract or for late or noncompletion of orders, or fines or penalties of any nature except fines or penalties for breach of contract or for late or noncompletion of orders.

Coverage under this Extension for the reduction in sales due to contract cancellation will include only those sales that would have been earned under the contract during the extended period of liability.



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Coverage under this Extension does not apply for more than the number of consecutive days shown in the LIMITS OF LIABILITY clause of the DECLARATIONS section.

E. INTERRUPTION BY COMMUNICABLE DISEASE

If a **location** owned, leased or rented by the Insured has the actual not suspected presence of **communicable disease** and access to such **location** is limited, restricted or prohibited by:

- 1) an order of an authorized governmental agency regulating the actual not suspected presence of **communicable disease**; or
- 2) a decision of an Officer of the Insured as a result of the actual not suspected presence of **communicable disease**,

this Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the PERIOD OF LIABILITY at such **location** with the actual not suspected presence of **communicable disease**.

This Extension will apply when access to such **location** is limited, restricted, or prohibited in excess of 48 hours.

INTERRUPTION BY COMMUNICABLE DISEASE Exclusions: As respects INTERRUPTION BY COMMUNICABLE DISEASE, the following additional exclusions apply:

This Policy does not insure loss resulting from:

- 1) the enforcement of any law or ordinance with which the Insured was legally obligated to comply prior to the time of the actual spread of **communicable disease**.
- 2) loss or damage caused by or resulting from **terrorism**, regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any sequence of loss.

The PERIOD OF LIABILITY for this TIME ELEMENT COVERAGE EXTENSION will be:

The period of time:

- 1) starting at the time of the order of the authorized governmental agency or the Officer of the Insured; but
- 2) not to exceed the time limit shown in the LIMITS OF LIABILITY clause in the DECLARATIONS section,

this period of time is part of and not in addition to any PERIOD OF LIABILITY applying to any coverage provided in the TIME ELEMENT section.



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F. ON PREMISES SERVICES

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the PERIOD OF LIABILITY directly resulting from physical loss or damage of the type insured to the following property located within 1,000 feet/300 metres of the insured **location**:

- 1) Electrical equipment and equipment used for the transmission of voice, data or video.
- 2) Electrical, fuel, gas, water, steam, refrigeration, sewerage, voice, data or video transmission lines.

G. PROTECTION AND PRESERVATION OF PROPERTY TIME ELEMENT

This Policy covers the Actual Loss Sustained by the Insured for a period of time not to exceed 48 hours prior to and 48 hours after the Insured first taking reasonable action for the temporary protection and preservation of property insured by this Policy provided such action is necessary to prevent immediately impending insured physical loss or damage to such insured property.

This Extension does not cover the Actual Loss Sustained by the Insured to temporarily protect or preserve insured property from actual, or to prevent immediately impending, physical loss or damage covered by TERRORISM coverage as provided in the PROPERTY DAMAGE section.

This Extension is subject to the deductible provisions that would have applied had the physical loss or damage happened.

H. RELATED REPORTED VALUES

If reported TIME ELEMENT values include:

- 1) **locations** used by the Insured (such as branch stores, sales outlets and other plants) but not listed on a schedule under this Policy; and
- 2) a TIME ELEMENT loss would result at such **locations**,
- 3) from insured physical loss or damage at an insured **location**,

then this Policy provides coverage for such resulting TIME ELEMENT loss in accordance with the coverage applicable at such insured **location**.

I. RESEARCH AND DEVELOPMENT

The GROSS EARNINGS and GROSS PROFIT coverages are extended to insure the Actual Loss Sustained by the Insured of continuing fixed charges and ordinary payroll directly attributable to the interruption of research and development activities that in themselves would not have produced income during the PERIOD OF LIABILITY.



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The PERIOD OF LIABILITY for this Extension will be the period from the time of direct physical loss or damage of the type insured to the time when the property could be repaired or replaced and made ready for operations, but not to be limited by the date of expiration of this Policy.

J. SOFT COSTS

This Policy covers the Actual Loss Sustained incurred by the Insured of **soft costs** during the PERIOD OF LIABILITY arising out of the delay of completion of buildings and additions under construction directly resulting from physical loss or damage of the type insured to insured property under construction at an insured **location**.



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LOSS ADJUSTMENT AND SETTLEMENT

1. REQUIREMENTS IN CASE OF LOSS

The Insured will:

- 1) give immediate written notice to the Company of any loss.
- 2) protect the property from further loss or damage.
- 3) promptly separate the damaged and undamaged property; put it in the best possible order; and furnish a complete inventory of the lost, destroyed, damaged and undamaged property showing in detail the quantities, costs, **actual cash value**, replacement value and amount of loss claimed.
- 4) give a signed and sworn proof of loss to the Company within 90 days after the loss, unless that time is extended in writing by the Company. The proof of loss must state the knowledge and belief of the Insured as to:
 - a) the time and origin of the loss.
 - b) the Insured's interest and that of all others in the property.
 - c) the **actual cash value** and replacement value of each item and the amount of loss to each item; all encumbrances; and all other contracts of insurance, whether valid or not, covering any of the property.
 - d) any changes in the title, use, occupation, location, possession or exposures of the property since the effective date of this Policy.
 - e) by whom and for what purpose any **location** insured by this Policy was occupied on the date of loss, and whether or not it then stood on leased ground.
- 5) include a copy of all the descriptions and schedules in all policies and, if required, provide verified plans and specifications of any buildings, fixtures, machinery or equipment destroyed or damaged.
- 6) further, the Insured, will as often as may be reasonably required:
 - a) exhibit to any person designated by the Company all that remains of any property;
 - b) submit to examination under oath by any person designated by the Company and sign the written records of examinations; and
 - c) produce for examination at the request of the Company:
 - (i) all books of accounts, business records, bills, invoices and other vouchers; or
 - (ii) certified copies if originals are lost,



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at such reasonable times and places that may be designated by the Company or its representative and permit extracts and machine copies to be made.

2. CURRENCY FOR LOSS PAYMENT

Losses will be adjusted and paid in the currency of the United States of America, except in Canada where losses will be paid in Canadian currency, unless directed otherwise by the Insured.

In the event of a loss adjustment involving currency conversion, the exchange selling rate will be calculated as follows:

- A. As respects the calculation of deductibles and limits of liability, the rate of exchange published in The Wall Street Journal on the date of loss.
- B. As respects loss or damage to insured real and personal property:
 - 1) the cost to repair or replace such property will be converted at the time the cost of repair or replacement is incurred based on the rate of exchange published in The Wall Street Journal.
 - 2) if such property is not replaced or repaired, the conversion will be based on the rate of exchange published in The Wall Street Journal as of the date of loss.
- C. As respects TIME ELEMENT loss the conversion will be based on the average of the rate of exchange published in The Wall Street Journal on the date of loss and the rate of exchange published in The Wall Street Journal on the last day of the Period of Liability.

If The Wall Street Journal was not published on the stipulated date, the rate of exchange will be as published on the next business day.

3. PARTIAL PAYMENT OF LOSS SETTLEMENT

In the event of insured physical loss or damage determined by the Company's representatives to be in excess of the applicable Policy deductible, the Company will advance mutually agreed upon partial payment(s), subject to the Policy's provisions. To obtain such partial payments, the Insured will submit a signed and sworn Proof of Loss as described in this Policy, with adequate supporting documentation.

4. COLLECTION FROM OTHERS

The Company will not be liable for any loss to the extent that the Insured has collected for such loss from others.

5. SUBROGATION

The Insured is required to cooperate in any subrogation proceedings. The Company may require from the Insured an assignment or other transfer of all rights of recovery against any party for loss to the extent of the Company's payment.



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The Company will not acquire any rights of recovery that the Insured has expressly waived prior to a loss, nor will such waiver affect the Insured's rights under this Policy.

Any recovery from subrogation proceedings, less costs incurred by the Company in such proceedings, will be payable to the Insured in the proportion that the amount of:

- 1) any applicable deductible; and/or
- 2) any provable uninsured loss,

bears to the entire provable loss amount.

6. COMPANY OPTION

The Company has the option to take all or any part of damaged property at the agreed or appraised value. The Company must give notice to the Insured of its intention to do so within 30 days after receipt of Proof of Loss.

7. ABANDONMENT

There may be no abandonment of any property to the Company.

8. APPRAISAL

If the Insured and the Company fail to agree on the amount of loss, each will, on the written demand of either, select a competent and disinterested appraiser after:

- 1) the Insured has fully complied with all provisions of this Policy, including REQUIREMENTS IN CASE OF LOSS; and
- 2) the Company has received a signed and sworn Proof of Loss from the Insured.

Each will notify the other of the appraiser selected within 20 days of such demand.

The appraisers will first select a competent and disinterested umpire. If the appraisers fail to agree upon an umpire within 30 days then, on the request of the Insured or the Company, the umpire will be selected by a judge of a court of record in the jurisdiction in which the appraisal is pending. The appraisers will then appraise the amount of loss, stating separately the **actual cash value** and replacement cost value as of the date of loss and the amount of loss, for each item of physical loss or damage or if, for TIME ELEMENT loss, the amount of loss for each TIME ELEMENT coverage of this Policy.

If the appraisers fail to agree, they will submit their differences to the umpire. An award agreed to in writing by any two will determine the amount of loss.

The Insured and the Company will each:

- 1) pay its chosen appraiser; and



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- 2) bear equally the other expenses of the appraisal and umpire.

A demand for APPRAISAL shall not relieve the Insured of its continuing obligation to comply with the terms and conditions of this Policy, including as provided under REQUIREMENTS IN CASE OF LOSS.

The Company will not be held to have waived any of its rights by any act relating to appraisal.

9. SUIT AGAINST THE COMPANY

No suit, action or proceeding for the recovery of any claim will be sustained in any court of law or equity unless:

- 1) the Insured has fully complied with all the provisions of this Policy; and
- 2) legal action is started within twelve months after inception of the loss.

If under the insurance laws of the jurisdiction in which the property is located, such twelve months' limitation is invalid, then any such legal action must be started within the shortest limit of time permitted by such laws.

10. SETTLEMENT OF CLAIMS

The amount of loss for which the Company may be liable will be paid within 30 days after:

- A. proof of loss as described in this Policy is received by the Company; and
- B. when a resolution of the amount of loss is made either by:
 - 1) written agreement between the Insured and the Company; or
 - 2) the filing with the Company of an award as provided in the APPRAISAL clause of this section.



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GENERAL PROVISIONS

1. CANCELLATION/NON-RENEWAL

This Policy may be:

- A. cancelled at any time at the request of the Insured by surrendering this Policy to the Company or by giving written notice to the Company stating when such cancellation will take effect; or
- B. cancelled by the Company by giving the Insured not less than:
 - 1) 60 days' written notice of cancellation; or
 - 2) 10 days' written notice of cancellation if the Insured fails to remit, when due, payment of premium for this Policy; or
- C. non-renewed by the Company by giving the Insured not less than 60 days' written notice of non-renewal.

Return of any unearned premium will be calculated on the customary short rate basis if the Insured cancels and on a pro-rata basis if the Company cancels this Policy. Return of any unearned premium will be made by the Company as soon as practicable.

2. INSPECTIONS

The Company, at all reasonable times, will be permitted, but will not have the duty, to inspect insured property. The Company does not address life, safety or health issues.

The Company's:

- A. right to make inspections;
- B. making of inspections; or
- C. providing recommendations or other information in connection with any inspections,

will not constitute an undertaking, on behalf of or for the benefit of the Insured or others. The Company will have no liability to the Insured or any other person because of any inspection or failure to inspect.

When the Company is not providing jurisdictional inspections, the Owner/Operator has the responsibility to assure that jurisdictional inspections are performed as required, and to assure that required jurisdictional Operating Certificates are current for their pressure equipment.

3. PROVISIONS APPLICABLE TO SPECIFIC JURISDICTIONS

- A. If the provisions of this Policy conflict with the laws of any jurisdictions in which this Policy applies, and if certain provisions are required by law to be stated in this Policy, this Policy



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will be read so as to eliminate such conflict or deemed to include such provisions for insured **locations** within such jurisdictions.

- B. The Company will provide to the Insured copies of endorsements mandated for use by the laws of provinces in Canada. The endorsements modify this Policy with respect to any insured property located in the province in which the endorsement applies.
- C. The Company will provide to the Insured copies of endorsements mandated for use by the laws of states in the United States of America. The endorsements modify this Policy with respect to any insured property located in the state in which the endorsement applies.
- D. In respect of any insured property located in Australia, the definition of **terrorism** is declared null and void and it is agreed that a Declared Terrorist Incident under the Terrorism Insurance Act 2003 shall be considered an act of **terrorism** within the terms of this Policy. Coverage recoverable under the Terrorism Insurance Act 2003 is excluded from coverage under this Policy. Any difference in limit between loss recoverable under the Terrorism Insurance Act 2003 and this Policy is not recoverable under this Policy.
- E. In respect of any insured property located in Belgium, the definition of **terrorism** is declared null and void and it is agreed that any event defined as terrorism in accordance with the Law of 1 April 2007 shall be considered an act of **terrorism** within the terms of this Policy. Coverage provided, in accordance with the terms and conditions of the Terrorism Reinsurance and Insurance Pool Statute, under the European policy issued by FM Insurance Europe S.A. is excluded from coverage under this Policy. Any difference in limit between loss recoverable from Terrorism Reinsurance and Insurance Pool and this Policy is not recoverable under this Policy.
- F. In respect of any insured property located in France or in French territories, the definition of **terrorism** is declared null and void and it is agreed that any event certified to be an act of terrorism in accordance with articles L126-2, R126-1 and R126-2 of the Insurance Code and decree 2001-1337 dated 28 December 2001 shall be considered an act of **terrorism** within the terms of this Policy. Terrorism coverage is mandatory and is provided to the Insured under the European/local policy issued by FM Insurance Europe S.A. Coverage provided under this Policy shall not extend the coverage for terrorism provided under such European/local policy. Any difference in limit between loss recoverable for terrorism under the European/local policy and this Policy is not recoverable under this Policy.
- G. Notwithstanding anything contained in this Policy to the contrary, there is no coverage for loss or damage and any resulting TIME ELEMENT loss, as provided in the TIME ELEMENT section of this Policy, caused by or resulting from the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1) **terrorism** for property located in **Great Britain**.

In respect of any property in **Great Britain**, the definition of **terrorism** is declared null and void and it is agreed that an act of **terrorism** shall mean an event certified by Her Majesty's Treasury to be an act of terrorism or determined to be such by an appropriately designated tribunal.



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- H. In respect of any insured property located in the Netherlands, the definition of **terrorism** is declared null and void and it is agreed that any event defined as terrorism in accordance with Dutch Terrorism Risk Reinsurance Company's terms and conditions shall be considered an act of **terrorism** within the terms of this Policy. Coverage provided in accordance with the Dutch Terrorism Risk Reinsurance Company's terms and conditions under the European policy issued by FM Insurance Europe S.A. is excluded from coverage under this Policy. Any difference in limit between loss recoverable from Dutch Terrorism Risk Reinsurance Company (NHT) and this Policy is not recoverable under this Policy.
- I. Coverage is provided for physical loss or damage and any resulting TIME ELEMENT loss as provided in the TIME ELEMENT section of this Policy to insured property in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of:
- 1) riot, civil commotion and (except in respect of loss or damage and resulting TIME ELEMENT loss by fire or explosion) strikers, locked-out workers or persons taking part in labor disturbances or malicious persons; and
 - 2) **terrorism**,
- subject to liability of the Company only to be for the extent of the loss not recoverable by the Insured under the "Criminal Damage (Compensation) (Northern Ireland) Order 1977" or subsequent legislation; and to all other terms, conditions and limits of this Policy.
- J. For any insured property located in Norway, this Policy insures against loss or damage to insured property resulting from Natural Catastrophe perils as designated in the Act of Natural Perils of June 16th, 1989.
- K. With respect to any insured property in South Africa, the following conditions additionally apply:
- Notwithstanding anything contained herein to the contrary:
- 1) This Policy does not cover loss of or damage directly or indirectly to property related to or caused by:
 - a) civil commotion, labor disturbances, riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about any of the above;
 - b) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
 - c) (i) mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or siege;
 - (ii) insurrection, rebellion or revolution.
 - d) any act (whether on behalf of any organization, body or person, or group of persons) calculated or directed to overthrow or influence any state or government, or any



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provincial, local or tribal authority with force, or by means of fear, terrorism or violence;

- e) any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause or to bring about any social or economic change, or in protest against any state or government, or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public, or any section thereof;
- f) any attempt to perform any act referred to in clause d or e above;
- g) The act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any event referred to in clause a, b, c, d, e or f above.

If the Insurers allege that by reason of clauses a, b, c, d, e, f, or g of this exclusion, loss or damage is not covered by this Policy, the burden of proving the contrary will rest on the Insured.

- 2) This Policy does not cover loss or damage caused directly or indirectly by or through or in consequence of any event for which a fund has been established in terms of the War Damage Insurance and Compensation Act 1976 (No. 85 of 1976) or any similar Act operative in any of the territories to which this Policy applies.

- L. As respects the United States, its territories and possessions and the Commonwealth of Puerto Rico, the definition of **terrorism** is declared null and void and it is agreed that an event defined as a Certified Act of Terrorism under the terms of the SUPPLEMENTAL UNITED STATES CERTIFIED ACT OF TERRORISM ENDORSEMENT(S) attached to this Policy shall be considered an act of **terrorism** within the terms of this Policy. Coverage recoverable under the SUPPLEMENTAL UNITED STATES CERTIFIED ACT OF TERRORISM ENDORSEMENT(S) is excluded from any other coverage under this Policy. Any difference in limit between loss recoverable under the SUPPLEMENTAL UNITED STATES CERTIFIED ACT OF TERRORISM ENDORSEMENT(S) and this Policy is not recoverable under this Policy.

4. LIBERALIZATION

If during the period that insurance is in force under this Policy, any filed rules or regulations affecting the same are revised by statute so as to broaden the insurance without additional premium charge, such extended or broadened insurance will inure to the benefit of the Insured within such jurisdiction, effective the date of the change specified in such statute.

5. MISREPRESENTATION AND FRAUD

This entire Policy will be void if, whether before or after a loss, an Insured has:

- A. willfully concealed or misrepresented any material fact or circumstance concerning this insurance, the subject thereof, any insurance claim, or the interest of an Insured.



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- B. made any attempt to defraud the Company.
- C. made any false swearing.

6. LENDERS LOSS PAYEE AND MORTGAGEE INTERESTS AND OBLIGATIONS

- A. The Company will pay for loss to specified property insured under this Policy to each specified Lender Loss Payee (hereinafter referred to as Lender) as its interest may appear, and to each specified Mortgagee as its interest may appear, under all present or future mortgages upon such property, in order of precedence of the mortgages.
- B. The interest of the Lender or Mortgagee (as the case may be) in property insured under this Policy will not be invalidated by:
 - 1) any act or neglect of the debtor, mortgagor, or owner (as the case may be) of the property.
 - 2) foreclosure, notice of sale, or similar proceedings with respect to the property.
 - 3) change in the title or ownership of the property.
 - 4) change to a more hazardous occupancy.

The Lender or Mortgagee will notify the Company of any known change in ownership, occupancy, or hazard and, within 10 days of written request by the Company, may pay the increased premium associated with such known change. If the Lender or Mortgagee fails to pay the increased premium, all coverage under this Policy will cease.

- C. If this Policy is cancelled at the request of the Insured or its agent, the coverage for the interest of the Lender or Mortgagee will terminate 10 days after the Company sends to the Lender or Mortgagee written notice of cancellation, unless:
 - 1) sooner terminated by authorization, consent, approval, acceptance, or ratification of the Insured's action by the Lender or Mortgagee, or its agent.
 - 2) this Policy is replaced by the Insured, with a policy providing coverage for the interest of the Lender or Mortgagee, in which event coverage under this Policy with respect to such interest will terminate as of the effective date of the replacement policy, notwithstanding any other provision of this Policy.
- D. The Company may cancel this Policy and/or the interest of the Lender or Mortgagee under this Policy, by giving the Lender or Mortgagee written notice 60 days prior to the effective date of cancellation, if cancellation is for any reason other than non-payment. If the debtor, mortgagor, or owner has failed to pay any premium due under this Policy, the Company may cancel this Policy for such non-payment, but will give the Lender or Mortgagee written notice 10 days prior to the effective date of cancellation. If the Lender or Mortgagee fails to pay the premium due by the specified cancellation date, all coverage under this Policy will cease.



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- E. The Company has the right to invoke this Policy's SUSPENSION clause. The suspension of insurance will apply to the interest of the Lender or Mortgagee in any machine, vessel, or part of any machine or vessel, subject to the suspension. The Company will provide the Lender or Mortgagee at the last known address a copy of the suspension notice.
- F. If the Company pays the Lender or Mortgagee for any loss, and denies payment to the debtor, mortgagor or owner, the Company will, to the extent of the payment made to the Lender or Mortgagee be subrogated to the rights of the Lender or Mortgagee under all securities held as collateral to the debt or mortgage. No subrogation will impair the right of the Lender or Mortgagee to sue or recover the full amount of its claim. At its option, the Company may pay to the Lender or Mortgagee the whole principal due on the debt or mortgage plus any accrued interest. In this event, all rights and securities will be assigned and transferred from the Lender or Mortgagee to the Company, and the remaining debt or mortgage will be paid to the Company.
- G. If the Insured fails to render proof of loss, the Lender or Mortgagee, upon notice of the Insured's failure to do so, will render proof of loss within 60 days of notice and will be subject to the provisions of this Policy relating to APPRAISAL, SETTLEMENT OF CLAIMS, and SUIT AGAINST THE COMPANY.
- H. Other provisions relating to the interests and obligations of the Lender or Mortgagee may be added to this Policy by agreement in writing.

7. OTHER INSURANCE

- A. If there is any other insurance that would apply in the absence of this Policy, this Policy will apply only after such insurance whether collectible or not.
- B. In no event will this Policy apply as contributing insurance.
- C. The Insured is permitted to have other insurance over any limits or sublimits of liability specified elsewhere in this Policy without prejudice to this Policy. The existence of any such insurance will not reduce any limit or sublimit of liability in this Policy. Any other insurance that would have provided primary coverage in the absence of this Policy will not be considered excess.
- D. The Insured is permitted to have other insurance for all, or any part, of any deductible in this Policy. The existence of such other insurance will not prejudice recovery under this Policy. If the limits of liability of such other insurance are greater than this Policy's applicable deductible, this Policy's insurance will apply only after such other insurance has been exhausted.
- E. If this Policy is deemed to contribute with other insurance, the limit of liability applicable at each **location**, for the purposes of such contribution with other insurers, will be the latest amount described in this Policy or the latest **location** value on file with the Company.



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8. POLICY MODIFICATION

This Policy contains all of the agreements between the Insured and the Company concerning this insurance. The Insured and the Company may request changes to this Policy. This Policy can be changed only by endorsements issued by the Company and made a part of this Policy.

Notice to any agent or knowledge possessed by any agent or by any other person will not:

- A. create a waiver, or change any part of this Policy; or
- B. prevent the Company from asserting any rights under the provisions of this Policy.

9. REDUCTION BY LOSS

Claims paid under this Policy will not reduce its limit of liability, except claims paid will reduce any **aggregate during any policy year** limit.

10. SUSPENSION

On discovery of a dangerous condition, the Company may immediately suspend this insurance on any machine, vessel or part thereof by giving written notice to the Insured. The suspended insurance may be reinstated by the Company. Any unearned premium resulting from such suspension will be returned by the Company.

11. TITLES

The titles in this Policy are only for reference. The titles do not in any way affect the provisions of this Policy.

12. ASSIGNMENT

Assignment of this Policy will not be valid except with the written consent of the Company.

13. DEFINITIONS

The following terms when appearing in **boldface** in this Policy mean:

actual cash value:

the amount it would cost to repair or replace insured property, on the date of loss, with material of like kind and quality, with proper deduction for obsolescence and physical depreciation.

aggregate during any policy year:

the Company's maximum amount payable during any policy year.

communicable disease:

disease which is:

- A. transmissible from human to human by direct or indirect contact with an affected individual or the individual's discharges, or



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B. Legionellosis.

contaminant:

anything that causes **contamination**.

contamination:

any condition of property due to the actual or suspected presence of any foreign substance, impurity, pollutant, hazardous material, poison, toxin, pathogen or pathogenic organism, bacteria, virus, disease causing or illness causing agent, fungus, mold or mildew.

contingent time element location:

A. any **location**:

- 1) of a direct customer, supplier, contract manufacturer or contract service provider to the Insured;
- 2) of any company under a royalty, licensing fee or commission agreement with the Insured;

B. any **location** of a company that is a direct or indirect customer, supplier, contract manufacturer or contract service provider to a **location** described in A1 above,

not including **locations** of any company directly or indirectly supplying to, or receiving from, the Insured, electricity, fuel, gas, water, steam, refrigeration, sewage, voice, data or video.

date or time recognition:

the recognition, interpretation, calculation, comparison, differentiation, sequencing, accessing or processing of data involving one or more dates or times, including the Year 2000.

earth movement:

any natural or man-made earth movement including, but not limited to earthquake or landslide, regardless of any other cause or event contributing concurrently or in any other sequence of loss. However, physical loss or damage by fire, explosion, sprinkler leakage, or **flood** resulting from **earth movement** will not be considered to be loss by **earth movement** within the terms and conditions of this Policy.

electronic data processing equipment or media:

any computer, computer system or component, hardware, network, microprocessor, microchip, integrated circuit or similar devices or components in computer or non-computer equipment, operating systems, data, programs or other software stored on electronic, electro-mechanical, electro-magnetic data processing or production equipment, whether the property of the Insured or not.

fine arts:

paintings; etchings; pictures; tapestries; rare or art glass; art glass windows; valuable rugs; statuary; sculptures; antique furniture; antique jewelry; bric-a-brac; porcelains; and similar property of rarity, historical value, or artistic merit excluding automobiles, coins, stamps, furs, jewelry, precious stones, precious metals, watercraft, aircraft, money, securities.



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flood:

flood; surface waters; rising waters; storm surge, sea surge, wave wash; waves; tsunami; tide or tidal water; the release of water, the rising, overflowing or breaking of boundaries of natural or man-made bodies of water; or the spray therefrom; all whether driven by wind or not; or sewer back-up resulting from any of the foregoing; regardless of any other cause or event, whether natural or man-made, contributing concurrently or in any other sequence of loss. Physical loss or damage from **flood** associated with a storm or weather disturbance whether or not identified by name by any meteorological authority, is considered to be **flood** within the terms of this Policy. However, physical loss or damage by fire, explosion or sprinkler leakage resulting from **flood** is not considered to be loss by **flood** within the terms and conditions of this Policy.

Great Britain:

England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man nor the Channel Islands.

high hazard zones for earth movement:

the provinces of Catamarca, Chaco, Cordoba, Formosa, Jujuy, La Rioja, Mendoza, Neuquen, Salta, San Juan, San Luis, Santiago del Estero and Tucuman in Argentina;

Bolivia;

Bosnia and Herzegovina;

Bulgaria;

Caribbean Islands of Aruba, Cayman Islands, Dominican Republic, Jamaica, The Commonwealth of Puerto Rico, and Trinidad and Tobago;

Chile;

Colombia;

Costa Rica;

Croatia;

Curacao;

Cyprus;

Ecuador;

El Salvador;

Greece;

Guam;

Guatemala;

Iceland;

the states of Arunachal Pradesh, Assam, Bihar, Gujarat, Himachal Pradesh, Madhya Pradesh, Manipur, Meghalaya, Tripura, Mizoram, Nagaland, Punjab, West Bengal, Uttar Pradesh and Uttaranchal in India;

Indonesia;

Italy;

Japan;

Jordan;

Monaco;

New Zealand, North Island:

Bay of Plenty Regional Council (except Tauranga City Council and Western Bay of Plenty District Council), South Taranaki District Council, Gisborne District Council, Hawke's Bay Regional Council, Wellington Regional Council, Manawatu-Wanganui Regional Council (except Stratford



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District Council and Waitomo District Council), Taupo District Council and Rotorua District Council;

New Zealand, South Island:

Tasman District Council, Marlborough District Council, West Coast Regional Council, Canterbury Regional Council (except for the District Councils of Mackenzie, Timaru, Waimate and Waitaki), Queenstown Lakes District Council, Southland Regional Council (except Gore District Council and Invercargill City Council);

Nicaragua;

Northern Pacific Islands of Federated States of Micronesia, Palau, Northern Marianas, Marshall Islands and Kiribati;

Panama;

People's Republic of China;

Peru;

Philippines;

the states of Baja California, Baja California Sur, Chiapas, Colima, Guerrero, Jalisco, Mexico (including Mexico City), Michoacan, Morelos, Nayarit, Oaxaca, Puebla, Sinaloa, Sonora, Tabasco, Tlaxcala and Veracruz in the Republic of Mexico;

Romania;

the Republic of Dagestan and the oblasts of Kamchatka and Sakhalin in the Russian Federation; Serbia;

the provinces of Granada and Murcia in Spain;

Southern Pacific Islands of American Samoa, Loyalty Islands, French Polynesia, New Caledonia, Solomon Islands, Samoa, Tonga, Tuvalu and Vanuatu;

Taiwan;

Turkey; and

Alaska, California, Hawaii and Nevada in the United States of America

irreplaceable:

an item which cannot be replaced with other of like kind and quality.

location:

A. as specified in the Schedule of Locations, or

B. if not so specified in the Schedule of Locations:

1) a building, yard, dock, wharf, pier or bulkhead (or any group of the foregoing),

a) bounded on all sides by public streets, clear land space or open waterways, each not less than 50 feet/15 metres wide. Any bridge or tunnel crossing such street, space or waterway will render such separation inoperative for the purpose of this definition.

New Madrid Seismic Zone:

Arkansas, United States of America, counties of:

Arkansas, Clay, Craighead, Crittenden, Cross, Fulton, Greene, Independence, Izard, Jackson, Lawrence, Lee, Lonoke, Mississippi, Monroe, Phillips, Poinsett, Prairie, Randolph, Sharp, St. Francis, White, Woodruff

Illinois, United States of America, counties of:



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Alexander, Bond, Clay, Clinton, Crawford, Edwards, Effingham, Fayette, Franklin, Gallatin, Hamilton, Hardin, Jackson, Jasper, Jefferson, Johnson, Lawrence, Madison, Marion, Massac, Monroe, Perry, Pope, Pulaski, Randolph, Richland, Saline, St. Clair, Union, Wabash, Washington, Wayne, White, Williamson

Indiana, United States of America, counties of:

Gibson, Knox, Pike, Posey, Spencer, Vanderburgh, Warrick

Kentucky, United States of America, counties of:

Ballard, Caldwell, Calloway, Carlisle, Christian, Crittenden, Daviess, Fulton, Graves, Henderson, Hickman, Hopkins, Livingston, Lyon, Marshall, McCracken, McLean, Muhlenberg, Todd, Trigg, Union, Webster

Mississippi, United States of America, counties of:

Alcorn, Benton, Coahoma, De Soto, Lafayette, Marshall, Panola, Quitman, Tate, Tippah, Tunica

Missouri, United States of America, counties of:

Bollinger, Butler, Cape Girardeau, Carter, Dunklin, Iron, Jefferson, Madison, Mississippi, New Madrid, Oregon, Pemiscot, Perry, Reynolds, Ripley, Scott, Shannon, St. Francois, St. Louis, City of St. Louis, Ste. Genevieve, Stoddard, Washington, Wayne

Tennessee, United States of America, counties of:

Benton, Carroll, Chester, Crockett, Decatur, Dyer, Fayette, Gibson, Hardeman, Hardin, Haywood, Henderson, Henry, Houston, Humphreys, Lake, Lauderdale, Madison, McNairy, Montgomery, Obion, Perry, Shelby, Stewart, Tipton, Weakley

normal:

the condition that would have existed had no physical loss or damage happened.

normal cost:

the cost associated with the movement of goods or materials suffering the disruption that the Insured would have incurred had no physical loss or damage causing disruption happened.

occurrence:

the sum total of all loss or damage of the type insured, including any insured TIME ELEMENT loss, arising out of or caused by one discrete event of physical loss or damage, except as respects the following:

- A. **terrorism: occurrence** shall mean the sum total of all loss or damage of the type insured, including any insured TIME ELEMENT loss, arising out of or caused by all acts of **terrorism** during a continuous period of seventy-two (72) hours.
- B. **earth movement: occurrence** shall mean the sum total of all loss or damage of the type insured, including any insured TIME ELEMENT loss, arising out of or caused by all **earth movement(s)** during a continuous period of seventy-two (72) hours.



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off-premises data processing or data transmission services:

the storage or processing of data performed off-premises of the Insured's property, including the transmission of voice, data or video over a single, or combination of, computer or communication networks.

Pacific Northwest Seismic Zone:

Oregon, United States of America, counties of:

Benton, Clackamas, Clatsop, Columbia, Coos, Curry, Douglas, Hood River, Jackson, Josephine, Klamath, Lane, Lincoln, Linn, Marion, Multnomah, Polk, Tillamook, Washington, Yamhill

Washington, United States of America, counties of:

Chelan, Clallam, Clark, Cowlitz, Grays Harbor, Island, Jefferson, King, Kitsap, Kittitas, Lewis, Mason, Pacific, Pierce, San Juan, Skagit, Skamania, Snohomish, Thurston, Wahkiakum, Whatcom

British Columbia (includes Vancouver Island), Canada:

South of 50° N latitude and west of 120° W longitude

period of operational testing:

the period of time beginning 24 hours prior to the earlier of the following:

- A. introduction, into a system, of feedstock or other materials for processing or handling;
- B. commencement of fuel or energy supply to a system,

and ending with the earlier of the following:

- A. the expiration date or cancellation date of this Policy.
- B. if specified, the number of consecutive days shown in the LIMITS OF LIABILITY clause in the DECLARATIONS section.

physical loss or damage to electronic data, programs or software:

the destruction, distortion or corruption of electronic data, programs or software.

representative company(ies):

Factory Mutual Insurance Company, FM Insurance Company Limited or FM Insurance Europe S.A.; Affiliated FM Insurance Company; Appalachian Insurance Company or any other company issuing a local policy at the direction of the Company.

soft costs:

costs over and above those that are **normal** at an insured **location** undergoing renovation or in the course of construction, limited to the following:

- A. construction loan fees - the additional cost incurred to rearrange loans necessary for the completion of construction, repairs or reconstruction including; the cost to arrange refinancing, accounting work necessary to restructure financing, legal work necessary to prepare new documents, charges by the lenders for the extension or renewal of loans necessary.



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- B. commitment fees, leasing and marketing expenses - the cost of returning any commitment fees received from prospective tenant(s) or purchaser(s), the cost of re-leasing and marketing due to loss of tenant(s) or purchaser(s).
- C. additional fees for architects, engineers, consultants, attorneys and accountants needed for the completion of construction, repairs or reconstruction.
- D. property taxes, building permits, additional interest on loans, realty taxes and insurance premiums.

terrorism:

any act, involving the use or threat of: force, violence, dangerous conduct, interference with the operations of any business, government or other organization or institution, or any similar act,

when the effect or apparent purpose is:

- A. to influence or instill fear in any government (de jure or de facto) or the public, or any segment of either; or
- B. to further or to express support for, or opposition to, any political, religious, social, ideological or similar type of objective or position.

transmission and distribution systems:

transmission and distribution systems including but not limited to electricity, gas, fuel, steam, water, refrigeration, sewerage, voice, data, and video. Such systems shall include poles, towers and fixtures, overhead conductors and devices, underground and underwater conduit, underground and underwater conductors and devices, line transformers, service meters, street lighting and signal systems.

valuable papers and records:

written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts, all of which must be of value to the Insured.

wind:

direct action of wind including substance driven by wind. **Wind** does not mean or include anything defined as **flood** in this Policy.

SCHEDULE OF LOCATIONS, APPENDIX A

Location No.	Index/ Record No	Name	Street	City	State/ Prov	Postal Code	Country
AU13		Sims Metal - ACT	47 Alderson Avenue Hume ATC	Hume	Australian Capital Territory	2620	Australia
AU74		Sims Metal - NSW	72 Burrows Rd	Alexandria	New South Wales	2015	Australia
AU71			32-34 Lord St, Level 2	Botany	New South Wales	2019	Australia
AU70		Sims Metal - NSW	8-10 Lawson St	East Wagga Wagga	New South Wales	2650	Australia
AU23		Sims Metal - NSW	Lot 2 Kembla Grange Rd	Kembla Grange	New South Wales	2530	Australia
AU68	AUR619.00-01	Sims Metal - NSW	43 Ashford Avenue	Milperra	New South Wales	2214	Australia
AU7		Sims Metal - NSW	31 Strathmore Rd	Muswellbrook	New South Wales	2333	Australia
AU16	AU3669.00-03	Sims Metal - NSW	Cormorant Rd, Kooragang Island	Newcastle	New South Wales	2300	Australia
AU20		Sims Metal - VIC	445 Panmure St	South Albury	New South Wales	2640	Australia
AU2	AUR040.00-02	Sims Metal - NSW	76 Christie St 72 Christie St	St Marys	New South Wales	2760	Australia
AU11		Sims Metal - NSW	Site 20, Craft Close	Toormina	New South Wales	2452	Australia
AU52	AU4087.00-09	Sims E-Recycling Aus	82 Marple Avenue	Villawood	New South Wales	2163	Australia
AU9		Sims Metal - NSW	352 Manns Rd	West Gosford	New South Wales	2250	Australia
AU72		Sims Metal - NT	35 McKinnon Rd & 22 Hardy Rd	Pinelands	Northern Territory	0829	Australia
AU54		Sims E-Recycling Aus	5 Hurricane St	Banyo	Queensland	4014	Australia
AU30	AUS281.00-01	Sims Metal - QLD	13 Bensted Rd	Callemondah	Queensland	4680	Australia
AU32		Sims Metal - QLD	Lots 12 & 13, Page St	Kunda Park	Queensland	4556	Australia
AU31	AUS282.00-01	Sims Metal - QLD	Spiller Avenue, Outer Harbour	Mackay	Queensland	4740	Australia
AU5		Sims Metal - QLD	11 Hope St 5 Lawson St	Nerang	Queensland	4211	Australia
AU27	AUR733.00-01	Sims Metal - QLD	48 Crockford St	Northgate	Queensland	4013	Australia
AU28		Sims Metal - QLD	26 Comport St	Portsmith	Queensland	4870	Australia
AU03	AUR657.00-01	Sims Metal - QLD	148 Dunn Rd	Rocklea	Queensland	4106	Australia
AU29	AUS283.00-01	Sims Metal - QLD	98 Hubert St	Townsville	Queensland	4810	Australia
AU37		Sims Metal - SA	7 Cooroora Crescent	Lonsdale	South Australia	5160	Australia
AU35		Sims Metal - SA	Lot 45, Leitch Rd	Roseworthy	South Australia	5371	Australia
AU34	AUR734.00-01	Sims Metal - SA	N Arm Rd	Wingfield	South Australia	5013	Australia
AU78			14 Johansson Rd	Wingfield	South Australia	5013	Australia
AU22		Sims Metal - TAS	Mobil Rd	Bell Bay	Tasmania	7253	Australia
AU25		Sims Metal - TAS	10-16 Lindsay St	Invermay	Tasmania	7248	Australia

SCHEDULE OF LOCATIONS, APPENDIX A

Location No.	Index/ Record No	Name	Street	City	State/ Prov	Postal Code	Country
AU1	AUR735.00-01	Sims Metal - VIC	1904 Hume Highway	Broadmeadows	Victoria	3047	Australia
AU14	AUR736.00-01	Sims Metal - VIC	44-60 McDonald Rd	Brooklyn	Victoria	3012	Australia
AU73		Sims E-Recycling Aus	61-63 Nantilla Rd	Clayton	Victoria	3168	Australia
AU18	AUS284.00-01	Sims Metal - VIC	442 Princes Highway	Noble Park North	Victoria	3174	Australia
AU17	AUR288.00-02	Sims Metal - VIC	266 Thompson Rd	North Geelong	Victoria	3215	Australia
AU19		Sims Metal - VIC	45 Wells Rd	Seaford	Victoria	3198	Australia
AU21		Sims Metal - VIC	70-76 Eastern Rd	Traralgon	Victoria	3844	Australia
AU40	AUR739.00-01	Sims Metal - WA	200 Barrington St	Bibra Lake	Western Australia	6163	Australia
AU41	AUR737.00-01	Sims Metal - WA	2526 Coolawanyah Rd	Karratha	Western Australia	6714	Australia
AU67	AUJ994.00-02	Sims Metal - WA	Lot 100, Donaldson Rd	Kwinana Beach	Western Australia	6167	Australia
AU77	AUS934.00-01	Sims Metal - WA	447 Victoria Rd	Malaga	Western Australia	6090	Australia
AU47		Sims Metal - WA	52 Gawthorne Drive	Millars Well	Western Australia	6714	Australia
AU76		Sims Metal - WA	282 Norseman Rd	Myrup	Western Australia	6450	Australia
AU3	AUR740.00-01	Sims Metal - WA	15 Peawah St Corner of Peawah & Moorambine St	Wedgefield	Western Australia	6721	Australia
AU45		Sims Metal - WA	151 Welshpool Rd	Welshpool	Western Australia	6106	Australia
AA01	AA1419.00-01	SRS AUT	Industriestrasse 2	Müllendorf		7052	Austria
BE01	BE1061.00-02	SRS BEL	Europark-Noord 32	Sint-Niklaas	Oost-Vlaanderen	9100	Belgium
CZ01		SRS CZCH	Hviezdoslavova 53c	Brno		627 00	Czech Republic
GE02	GEA487.00-02	SRS GER	Im Weiherfeld 25	Ginsheim-Gustavsburg	Hessen	65462	Germany
GE01	GEE440.00-01	SRS GER	10 Rathenastr	Bergkamen	Nordrhein-Westfalen	59192	Germany
NL01	NE5475.00-01	SRS NL	Hastelweg 251	Eindhoven	Noord Brabant	5652 CV	Netherlands
NL02	NE5476.00-01	SRS NL	Waarderweg 60	Haarlem	Noord Holland	2031 BP	Netherlands
NZ73		Sims E-Recycling NZ	69 Aintree Avenue, Mangere	Auckland	Auckland	2022	New Zealand
NZ01	NZ3107.00-01	Sims Pacific Metals Ltd	Cnr Manu & Kahu St	Otahuhu	Auckland	2024	New Zealand
NZ02	NZ3019.00-01	Sims Pacific Metals Ltd	263 James Fletcher Drive	Otahuhu	Auckland	2024	New Zealand
NZ06	NZ3020.00-01	Sims Pacific Metals Ltd	48 Wickham St	Christchurch	Canterbury	8062	New Zealand
NZ04		Sims Pacific Metals Ltd	5 Angus Pl	Napier	Hawkes Bay	4110	New Zealand
NZ08		Sims Pacific Metals Ltd	2 & 6 Merton Pl	Annesbrook	Nelson	7011	New Zealand
NZ07		Sims Pacific Metals Ltd	5 Wharf St	Dunedin	Otago	9016	New Zealand

SCHEDULE OF LOCATIONS, APPENDIX A

Location No.	Index/ Record No	Name	Street	City	State/ Prov	Postal Code	Country
NZ09		Sims Pacific Metals Ltd	147 Mersey St	Invercargill	Southland	9810	New Zealand
NZ03		Sims Pacific Metals Ltd	38A Northway St	Hamilton	Waikato	3200	New Zealand
NZ05		Sims Pacific Metals Ltd	14 Barnes St	Seaview	Wellington	5010	New Zealand
NO01	NO1193.00-01	SRS NOR	Greåkerveien 23	Greåker	Østfold	1718	Norway
PL01		SRS POL	Lakowa 79	Bydgoszcz		85-463	Poland
SI01		Loyang Offshore Supply Base	25B Loyang Crescent	Singapore		506817	Singapore
SW01	SW3119.00-01	SRS SWE	Karoserigatan 6	Katrineholm		641 51	Sweden
UE01		SRS UAE	Jebel Ali Free Zone, PO Box 262843	Dubai			United Arab Emirates
U2	UKM038.00-01	UK Metals	Royal Edward Dock	Bristol	Avon	BS11 9BT	United Kingdom
UK48	UKM037.00-01	UK Metals	Gatton Rd	Bristol	Avon	BS2 9SH	United Kingdom
UK08	UKM039.00-01	UK Metals	Fourth Drove	Peterborough	Cambridgeshire	PE1 5UR	United Kingdom
UK49	UKM040.00-01	SRS UK	Northend Rd	Stalybridge	Cheshire	SK15 3AZ	United Kingdom
UK43	UK0842.00-02	SRS UK	Macklin Avenue, Cowpen Lane Industrial Estate	Billingham	Cleveland	TS23 4BY	United Kingdom
UK09	UKM041.00-01	UK Metals	Windermere Rd	Hartlepool	Cleveland	TS25 1NX	United Kingdom
UK34		UK Metals	8 Lucknow Rd	Bodmin	Cornwall	PL31 1EZ	United Kingdom
U56		UK Metals	Foundry Rd	Camborne	Cornwall	TR14 7XB	United Kingdom
UK1	UK2275.00-03	UK Metals	Birchwood Lane, Somercotes	Alfreton	Derbyshire	DE55 4NE	United Kingdom
UK4	UKM042.00-01	UK Metals	Mansfield Rd	Derby	Derbyshire	DE21 4AW	United Kingdom
UK6	UK9420.00-02	UK Metals	7 Christow Rd, Marsh Barton Trading Estate	Exeter	Devon	EX2 8QT	United Kingdom
UK41		UK Metals	Sutton Rd	Plymouth	Devon	PL4 0HN	United Kingdom
UK50	UK7118.00-02	SRS UK	Lochside Industrial Estate, Irongray Rd	Dumfries	Dumfriesshire	DG2 0NR	United Kingdom
UK51	UKM044.00-01	UK Metals	Cross Hands Rd, Gorslas	Llanelli	Dyfed	SA14 6RR	United Kingdom
UK30		UK Metals	Speculation Rd, Forest Vale Industrial Estate	Cinderford	Gloucestershire	GL14 3JA	United Kingdom
UK7	UK1646.00-02	UK Metals	North Side, South Dock, Alexandra Docks	Newport	Gwent	NP20 2NQ	United Kingdom
UK35		UK Metals	Stubbs Industrial Estate, Hollybush Lane	Aldershot	Hampshire	GU11 2PX	United Kingdom
UK44	UKM045.00-01	UK Metals	Vigo Lane	Yateley	Hampshire	GU46 6ED	United Kingdom
UK59		UK Metals	Sheerness Docks	Sheerness	Kent	ME12 1RS	United Kingdom
UK20		UK Metals	Bridge St	Bury	Lancashire	BL9 6HH	United Kingdom
UK57	UKN629.00-01	UK Metals	Rondin Rd	Manchester	Lancashire	M12 6BF	United Kingdom
UK25		UK Metals	George St	Lincoln	Lincolnshire	LN5 8LG	United Kingdom
UK36		UK Metals	Dock Rd, Garston	Liverpool	Merseyside	L19 2JW	United Kingdom

SCHEDULE OF LOCATIONS, APPENDIX A

Location No.	Index/ Record No	Name	Street	City	State/ Prov	Postal Code	Country
U1	UKD877.00-02	UK Metals	10 Quay West, Queen Elizabeth Dock Queen Elizabeth Dock	Hull	North Humberside	HU9 5PB	United Kingdom
UK65		UK Metals	76 Harrow St	Hull	North Humberside	HU3 4LB	United Kingdom
UK66	UKP260.00-01	UK Metals	Reservoir Rd	Hull	North Humberside	HU6 7QH	United Kingdom
UK54	UKM047.00-01	UK Metals	Harrimans Lane, Lenton Lane Industrial Estate	Nottingham	Nottinghamshire	NG7 2SD	United Kingdom
UK19		UK Metals	Priory Way	Taunton	Somerset	TA1 2BB	United Kingdom
UK40		UK Metals	122-128 E Moors Rd	Cardiff	South Glamorgan	CF24 5EE	United Kingdom
UK55		UK Metals	Unit 6, Martin Rd, Tremorfa Industrial Estate, Tremorfa	Cardiff	South Glamorgan	CF24 5SD	United Kingdom
UK71		UK Metals	Boulder Bridge, Shaw Lane, Carlton	Barnsley	South Yorkshire	S71 3HJ	United Kingdom
UK5		UK Metals	Hillbrook Works, Ulley Lane, Aston	Sheffield	South Yorkshire	S26 2DR	United Kingdom
UK26		UK Metals	Paget St	Burton-on-Trent	Staffordshire	DE14 3TQ	United Kingdom
UK70		UK Metals	Soudal House Unit, 1 Centurion Park, Watling St, Wilneco	Tamworth	Staffordshire	B77 5PN	United Kingdom
UK39		UK Metals	West Bank Terminal, Wherstead Rd	Ipswich	Suffolk	IP2 8NB	United Kingdom
UK3	UKM048.00-01	Home Office UK Metals	Long Marston	Stratford-upon-Avon	Warwickshire	CV37 8AQ	United Kingdom
UK45	UKM049.00-01	UK Metals	Neath Abbey Wharf, Skewen	Neath	West Glamorgan	SA10 6BL	United Kingdom
UK32		UK Metals	Landor St	Birmingham	West Midlands	B8 1AE	United Kingdom
UK33		UK Metals	James Scott Rd	Halesowen	West Midlands	B63 2QT	United Kingdom
UK02	UKM051.00-01	UK Metals	Anne Rd	Smethwick	West Midlands	B66 2NZ	United Kingdom
UK53	UKM052.00-01	UK Metals	Rabone Lane	Smethwick	West Midlands	B66 2LF	United Kingdom
UK61		UK Metals	Lock Lane	Castleford	West Yorkshire	WF10 2JU	United Kingdom
UK62		UK Metals	Albion St	Dewsbury	West Yorkshire	WF13 2AJ	United Kingdom
UK64		UK Metals	Back Chapel Lane	Huddersfield	West Yorkshire	HD5 9BG	United Kingdom
UK63		UK Metals	Treefield Industrial Estate, Gelderd Rd, Gildersome, Morle	Leeds	West Yorkshire	LS27 7JU	United Kingdom
UK67		UK Metals	Pepper Rd	Leeds	West Yorkshire	LS10 2RU	United Kingdom
UK68		UK Metals	109 Albert Rd, Morley	Leeds	West Yorkshire	LS27 8RU	United Kingdom
UK69		UK Metals	Dam Top Works	Ripponden	West Yorkshire	HX6 4DL	United Kingdom
UK29		UK Metals	Hewell Rd	Redditch	Worcestershire	B97 6AN	United Kingdom
207		Tennessee Valley Recycling LLC	16954 US Highway 72	Athens	Alabama	35611-7368	United States of America



SCHEDULE OF LOCATIONS, APPENDIX A

Location No.	Index/ Record No	Name	Street	City	State/ Prov	Postal Code	Country
208		Tennessee Valley Recycling LLC	1300 Highway 20	Decatur	Alabama	35601-7504	United States of America
212		Tennessee Valley Recycling LLC	2800 Highway 31 SW	Hartselle	Alabama	35640-2868	United States of America
209		Tennessee Valley Recycling LLC	606 Triana Boulevard NW	Huntsville	Alabama	35805-2810	United States of America
01	003117.81-01	SMM Gulf Coast LLC	1300 Conception Street Rd	Mobile	Alabama	36610-4748	United States of America
171		SA Recycling	430 Air Base Boulevard	Montgomery	Alabama	36108-2202	United States of America
156	003286.19-01	SA Recycling	309 State Docks Rd	Phenix City	Alabama	36869-7613	United States of America
211		Tennessee Valley Recycling LLC	17244 Highway 43	Russellville	Alabama	35654-6013	United States of America
210		Tennessee Valley Recycling LLC	700 W 20th Avenue	Sheffield	Alabama	35660-2552	United States of America
110		SA Recycling	12 W Southern Avenue	Mesa	Arizona	85210-5207	United States of America
119		SA Recycling	1530 E Broadway Rd	Phoenix	Arizona	85040-2310	United States of America
160		SA Recycling	3210 S 19th Avenue	Phoenix	Arizona	85009-6924	United States of America
166	003286.29-01	SA Recycling	3640 S 35th Avenue	Phoenix	Arizona	85009-6738	United States of America
169		SA Recycling	400 S 15th Avenue	Phoenix	Arizona	85007-3399	United States of America
89	089402.70-02	Sims Recycling Solutions, Inc	820 S Euclid Avenue	Tucson	Arizona	85719-6627	United States of America
118	003336.73-01	SA Recycling	1525 W Miracle Mile	Tucson	Arizona	85705-9323	United States of America
201			3147 E Ajo Way	Tucson	Arizona	85713-5225	United States of America
206		SA Recycling	3147 E Ajo Way	Tucson	Arizona	85713-5225	United States of America
162		SA Recycling	3350 E 32nd St	Yuma	Arizona	85365-7508	United States of America
02		Schiabo Larovo Corporation	9900 Industrial Harbor Rd	Little Rock	Arkansas	72206-3837	United States of America
158	003286.30-01	SA Recycling	3200 E Frontera St 3250 E Frontera St	Anaheim	California	92806-2812 92806-2822	United States of America
135	003336.74-01	SA Recycling	2000 E Brundage Lane	Bakersfield	California	93307-2734	United States of America
178	003423.46-01	SA Recycling	48100 Harrison St	Coachella	California	92236-1214	United States of America
189	003423.47-01	SA Recycling	790 E M St	Colton	California	92324-3910	United States of America
147	003499.08-01	SA Recycling	2495 Buena Vista St	Duarte	California	91010-3330	United States of America
176	003423.48-01	SA Recycling	460 E Holton Rd	El Centro	California	92243-9444	United States of America
111	003423.49-01	SA Recycling	12301 & 12351 E Valley Boulevard	El Monte	California	91732-3603	United States of America



SCHEDULE OF LOCATIONS, APPENDIX A

Location No.	Index/ Record No	Name	Street	City	State/ Prov	Postal Code	Country
122	003286.31-01	SA Recycling	15615 Arrow Boulevard	Fontana	California	92335-3253	United States of America
164	003423.51-01	SA Recycling	3489 S Chestnut Avenue	Fresno	California	93725-2699	United States of America
129	003286.32-01	SA Recycling	16801 S Main St	Gardena	California	90248-3121	United States of America
11	003154.48-01	Sims Group USA Corporation	30104 Industrial Pkwy SW	Hayward	California	94544-6906	United States of America
109	003423.52-01	SA Recycling	10651 E Avenue	Hesperia	California	92345-5114	United States of America
174	003423.53-01	SA Recycling	45565 Division St	Lancaster	California	93535-1841	United States of America
143	003408.24-01	SA Recycling	22606 S Alameda St	Long Beach	California	90810-1996	United States of America
179	076774.60-61	SA Recycling	482 Pier T Avenue	Long Beach	California	90802-6209	United States of America
108	003423.55-01	SA Recycling	10313 S Alameda St	Los Angeles	California	90002-3800	United States of America
131		SA Recycling	1715 E Martin Luther King Jr Boulevard	Los Angeles	California	90058-1522	United States of America
141	003244.71-01	SA Recycling	2104 & 2047 E 15th St	Los Angeles	California	90021-2822	United States of America
148	076731.47-03	SA Recycling	2728, 3248 & 3312 Long Beach Avenue E	Los Angeles	California	90058-1304	United States of America
120	089513.68-02	SA Recycling	1545 Gage Rd	Montebello	California	90640-6631	United States of America
170	003422.91-01	SA Recycling	41400 Date St	Murrieta	California	92562-7094	United States of America
146		SA Recycling	2411 N Glassell St	Orange	California	92865-2717	United States of America
116	003423.56-01	SA Recycling	1441 Mountain View Avenue	Oxnard	California	93030-5106	United States of America
181		SA Recycling	521 N Rice Avenue	Oxnard	California	93030-8924	United States of America
183	003423.57-01	SA Recycling	5815 Stockdale Rd	Paso Robles	California	93446-9658	United States of America
117	003423.63-01	SA Recycling	1475 E Franklin Avenue and 11630 E End Avenue	Pomona	California	91766-5453	United States of America
05	076173.48-02	Sims Group USA Corporation	11320 Dismantle Court	Rancho Cordova	California	95742-6816	United States of America
06	003105.56-01	SGUSA Sims Group USA Corporation	699 Seaport Boulevard	Redwood City	California	94063-2712	United States of America
07	076238.08-03	Sims Group USA Corporation	600 S 4th St	Richmond	California	94804-3504	United States of America
08		Sims Group USA Corporation	845 Marina Bay Pkwy Ste 2	Richmond	California	94804-6420	United States of America
83	076168.56-05	Sims Recycling Solutions, Inc	8855 Washington Boulevard	Roseville	California	95678-5935	United States of America
09	003154.49-01	Sims Group USA Corporation	130 N 12th St	Sacramento	California	95811-0615	United States of America
155	076802.70-04	SA Recycling	3055 Commercial St	San Diego	California	92113-1496	United States of America

SCHEDULE OF LOCATIONS, APPENDIX A

Location No.	Index/ Record No	Name	Street	City	State/ Prov	Postal Code	Country
159	003423.59-01	SA Recycling	3202 Main St	San Diego	California	92113-3719	United States of America
10	003117.82-01	Sims Group USA Corporation	1720 Monterey Highway 1726 Monterey Highway 1800 Monterey Highway 1900-1930 Monterey Highway	San Jose	California	95112-6114 95112-6116 95112-6100	United States of America
195	076763.90-02	SA Recycling	901 New Dock St	San Pedro	California	90731-7598	United States of America
136	003373.31-01	SA Recycling	2002-2006 W 5th St	Santa Ana	California	92703-2897	United States of America
123	003423.60-01	SA Recycling	1599 E Betteravia Rd	Santa Maria	California	93454-9647	United States of America
112	003422.92-01	SA Recycling	12428 Center St	South Gate	California	90280-8058	United States of America
13	003154.50-01	Sims Group USA Corporation	1000 S Aurora St	Stockton	California	95206-1604	United States of America
192	003423.61-01	SA Recycling	8250 Tujunga Avenue	Sun Valley	California	91352-3932	United States of America
198	003373.32-01	SA Recycling	9754 San Fernando Rd	Sun Valley	California	91352-1424	United States of America
152	003423.62-01	SA Recycling	29250 Rio del Sol	Thousand Palms	California	92276-2603	United States of America
101	003526.12-01	SA Recycling	2525 S K St	Tulare	California	93274-6875	United States of America
14		SMM New England Corporation	263 Locust St	Hartford	Connecticut	06114-2008	United States of America
15		SMM New England Corporation	808 Washington Avenue	New Haven	Connecticut	06519-1825	United States of America
16	019631.39-06	SMM New England Corporation	234 Universal Drive	North Haven	Connecticut	06473-3694	United States of America
17		Simsmetal East LLC	640 Canal St	Stamford	Connecticut	06902-5904	United States of America
88	084452.48-17	Sims Recycling Solutions, Inc	5806 N 53rd St	Tampa	Florida	33610-4817	United States of America
115	083878.38-02	SA Recycling	1359 Central Avenue	Atlanta	Georgia	30344-4973	United States of America
150	003286.33-01	SA Recycling	2800 Amwiler Rd	Atlanta	Georgia	30360-2804	United States of America
197		SA Recycling	960 Molly Pond Rd	Augusta	Georgia	30901-3718	United States of America
151		SA Recycling	281 Brennan Rd	Columbus	Georgia	31903-2192	United States of America
144		SA Recycling	2314 Dogwood Drive SE	Conyers	Georgia	30013-1535	United States of America
193		SA Recycling	859 Athens St	Gainesville	Georgia	30501-4867	United States of America
182	003286.34-01	SA Recycling	530 Seaboard Industrial Drive	Lawrenceville	Georgia	30046-4670	United States of America
163		SA Recycling	11140 Veterans Memorial Highway	Lithia Springs	Georgia	30122-1600	United States of America



SCHEDULE OF LOCATIONS, APPENDIX A

Location No.	Index/ Record No	Name	Street	City	State/ Prov	Postal Code	Country
173		SA Recycling	4460 Broadway	Macon	Georgia	31206-2055	United States of America
157		SA Recycling	317 Marble Mill Rd NW	Marietta	Georgia	30060-1037	United States of America
133	003286.35-01	SA Recycling	1882 Mitchell Rd	Norcross	Georgia	30071-3210	United States of America
177		SA Recycling	4614 New Calhoun Highway NE	Rome	Georgia	30161-9632	United States of America
106	003286.36-01	SA Recycling	100 Sonny Perdue Drive	Savannah	Georgia	31408-8073	United States of America
214			355 N Lathrop Avenue	Savannah	Georgia	31415-1025	United States of America
196		SA Recycling	9013 US Highway 301 S	Statesboro	Georgia	30458-3191	United States of America
18		Schiabo Larovo Corporation	6660 S Nashville Avenue	Chicago	Illinois	60638-4910	United States of America
24		Metal Management Midwest, Inc	3151 S California Avenue	Chicago	Illinois	60608-5111	United States of America
26		Metal Management, Inc	325 N La Salle Drive Ste 550	Chicago	Illinois	60654-8359	United States of America
27		Metal Management Midwest, Inc	350 N Artesian Avenue	Chicago	Illinois	60612-2118	United States of America
199			200 W Madison St Ste 3600	Chicago	Illinois	60606-3491	United States of America
23	003117.84-01	Metal Management Midwest, Inc	2305 S Paulina St 2500 S Paulina St 2550 S Paulina St 2600 N Paulina St 2345 S Wood St 2451 S Wood St 2455 S Laflin St	Chicago	Illinois	60608-5327 60608-5389 60608-5307 60614-1018 60608-5305 60608-5312 60608-5005	United States of America
25		Metal Management Midwest, Inc	3200 E 96th St	Chicago	Illinois	60617-5037	United States of America
97		Metal Management Midwest, Inc	9331 S Ewing Avenue	Chicago	Illinois	60617-4641	United States of America
82	064250.80-03	Sims Recycling Solutions, Inc	3700 Runge St	Franklin Park	Illinois	60131-1185	United States of America
81	064411.24-42	Sims Recycling Solutions, Inc	1600 Harvester Rd	West Chicago	Illinois	60185-1618	United States of America
32		Metal Management Indiana, Inc	5137 Indianapolis Boulevard	East Chicago	Indiana	46312-3857	United States of America
30		Metal Management Indiana, Inc	3601 Canal St	East Chicago	Indiana	46312-1605	United States of America
31	003154.51-01	Metal Management Indiana, Inc	425 W 152nd St	East Chicago	Indiana	46312-3847	United States of America
35		Simsmetal East LLC	1575 Sparrows Point Boulevard	Sparrows Point	Maryland	21219-1029	United States of America



SCHEDULE OF LOCATIONS, APPENDIX A

Location No.	Index/ Record No	Name	Street	City	State/ Prov	Postal Code	Country
34		SMM New England Corporation	267 Granite St	Worcester	Massachusetts	01607-1219	United States of America
39		SMM Gulf Coast LLC	12360 Hickman Rd	Biloxi	Mississippi	39532-9430	United States of America
47		SMM Gulf Coast LLC	9624 Pinecrest St	Vancleave	Mississippi	39565-9112	United States of America
130		SA Recycling	1701 Western Avenue	Las Vegas	Nevada	89102-2615	United States of America
149		SA Recycling	2780 N Nellis Boulevard	Las Vegas	Nevada	89115-4507	United States of America
184	003336.75-01	SA Recycling	5850 N Nellis Boulevard	Las Vegas	Nevada	89115-2407	United States of America
186		SA Recycling	6351 Vegas Valley Drive	Las Vegas	Nevada	89142-3502	United States of America
167		SA Recycling	3870 Losee Rd	North Las Vegas	Nevada	89030-3307	United States of America
62		Sims Group USA Corporation	1655 Franklin Way	Sparks	Nevada	89431-6549	United States of America
52		Simsmetal East LLC	1900 Federal St	Camden	New Jersey	08105-1818	United States of America
53	002098.37-03	Simsmetal East LLC Sims Group USA Holdings Corporation SME Claremont Terminal Simsmetal East LLC	1 Linden Avenue 3 Linden Avenue	Jersey City	New Jersey	07305-4722	United States of America
12		Simsmetal East LLC	72-78 Roanoke Avenue	Newark	New Jersey	07105-4397	United States of America
56	000740.68-02	Simsmetal East LLC	182 Calcutta St	Newark	New Jersey	07114-3332	United States of America
57	003154.56-01	Simsmetal East LLC	252-254 Doremus Avenue	Newark	New Jersey	07105-4897	United States of America
59		Simsmetal East LLC	8-18 Noble St	Newark	New Jersey	07114-1320	United States of America
60	003117.88-01	Simsmetal East LLC Schiabo Larovo Corporation	20-26 Richards St	Newark	New Jersey	07105-3705	United States of America
54		Simsmetal East LLC	1580 Hurffville Rd	Sewell	New Jersey	08080-4270	United States of America
61		Simsmetal East LLC	1519 Calhoun St	Trenton	New Jersey	08638-4019	United States of America
98		Simsmetal East LLC Port Albany Ventures LLC	140 S Port Rd	Albany	New York	12202-1063	United States of America
22		New York Recycling Ventures, Inc	1340 E Bay Avenue	Bronx	New York	10474-7027	United States of America
65		Sims Municipal Recycling of New York LLC Simsmetal East LLC	850 Edgewater Rd	Bronx	New York	10474-4987	United States of America
66	003105.57-01	SMR 30th Street - Pier	472-490 30th St	Brooklyn	New York	11232-1731	United States of America



SCHEDULE OF LOCATIONS, APPENDIX A

Location No.	Index/ Record No	Name	Street	City	State/ Prov	Postal Code	Country
67		Simsmetal East LLC	428 Harris Rd	Ferndale	New York	12734-5125	United States of America
92		Simsmetal East LLC	167 W River Rd	Frankfort	New York	13340-5032	United States of America
58		Sims Municipal Recycling of New York LLC Simsmetal East LLC	30-27 Greenpoint Avenue	Long Island City	New York	11101-2009	United States of America
205		Simsmetal East LLC	820 Route 211 E	Middletown	New York	10941-1442	United States of America
93		Sims Group USA Holdings Corporation	16 W 22nd St Fl 10	New York	New York	10010-5967	United States of America
215			555 Theodore Fremd Avenue Ste C300	Rye	New York	10580-1455	United States of America
50	002256.50-02	SMM Southeast LLC	2912 Neuse Boulevard	New Bern	North Carolina	28560-2858	United States of America
51		SMM Southeast LLC	1254 US Highway 258 N	Tarboro	North Carolina	27886-9436	United States of America
40		Metal Management Ohio, Inc	27063 State Route 281	Defiance	Ohio	43512-8963	United States of America
94		Proler Southwest Corporation	98 N 321st East Avenue	Catoosa	Oklahoma	74015-6430	United States of America
204		Proler Southwest Corporation	6414 S Eastern Avenue	Oklahoma City	Oklahoma	73149-5134	United States of America
63		Proler Southwest Corporation	2205 Industrial Rd	Sapulpa	Oklahoma	74066-8604	United States of America
64		Proler Southwest Corporation	2300 N Lewis Avenue	Tulsa	Oklahoma	74110-2120	United States of America
103			358 River Rd	Bridgeport	Pennsylvania	19405-1735	United States of America
73	003117.89-01	Simsmetal East LLC	300 Steel Rd S	Morrisville	Pennsylvania	19067-3614	United States of America
70	003119.70-01	SMM New England Corporation	15-17 Green Earth Way	Johnston	Rhode Island	02919-5845	United States of America
95	003119.71-01	SMM New England Corporation	242 Allens Avenue	Providence	Rhode Island	02905-5002	United States of America
104	015527.48-07	SMM New England Corporation	30 Fields Point Drive	Providence	Rhode Island	02903-4712	United States of America
216			200 Allens Avenue	Providence	Rhode Island	02905-5002	United States of America
84	000114.44-09	Sims Recycling Solutions, Inc	417 Sanford Rd	La Vergne	Tennessee	37086-3795	United States of America
102	084808.20-03		821 W College St	Pulaski	Tennessee	38478-3626	United States of America
213		Tennessee Valley Recycling LLC	821 W College St	Pulaski	Tennessee	38478-3626	United States of America
187	003449.46-01	SA Recycling	6800 Market Avenue	El Paso	Texas	79915-1014	United States of America
96		Proler Southwest Corporation	6747 Avenue W	Houston	Texas	77011-1247	United States of America
75	074386.14-03	Proler Southwest Proler Southwest Corporation Proler Southwest Proler Southwest Corporation	90 Hirsch Rd 70-80-90 Hirsch Rd 21 Japhet St	Houston	Texas	77020-6332 77020-7819	United States of America



SCHEDULE OF LOCATIONS, APPENDIX A

Location No.	Index/ Record No	Name	Street	City	State/ Prov	Postal Code	Country
76	003105.59-01	SSE Chesapeake, VA	4300 Buell St	Chesapeake	Virginia	23324-1008	United States of America
77	003119.72-01	SMM Southeast LLC	25820 Hofheimer Way	North Dinwiddie	Virginia	23803-8905	United States of America
78	044638.18-07	SMM Southeast LLC	3220 Deepwater Terminal Rd	Richmond	Virginia	23234-1827	United States of America
79		SMM Southeast LLC	1177 Hosier Rd	Suffolk	Virginia	23434-7814	United States of America
80		SMM Southeast LLC	2116 George Washington Memorial Highway	Yorktown	Virginia	23693-4223	United States of America



SCHEDULE OF SA RECYCLING, LLC LOCATIONS, APPENDIX B

Location No.	Index/ Record No	Name	Street	City	State/ Prov	Postal Code	Country
171		SA Recycling	430 Air Base Boulevard	Montgomery	Alabama	36108-2202	United States of America
156	003286.19-01	SA Recycling	309 State Docks Rd	Phenix City	Alabama	36869-7613	United States of America
110		SA Recycling	12 W Southern Avenue	Mesa	Arizona	85210-5207	United States of America
119		SA Recycling	1530 E Broadway Rd	Phoenix	Arizona	85040-2310	United States of America
160		SA Recycling	3210 S 19th Avenue	Phoenix	Arizona	85009-6924	United States of America
166	003286.29-01	SA Recycling	3640 S 35th Avenue	Phoenix	Arizona	85009-6738	United States of America
169		SA Recycling	400 S 15th Avenue	Phoenix	Arizona	85007-3399	United States of America
118	003336.73-01	SA Recycling	1525 W Miracle Mile	Tucson	Arizona	85705-9323	United States of America
206		SA Recycling	3147 E Ajo Way	Tucson	Arizona	85713-5225	United States of America
162		SA Recycling	3350 E 32nd St	Yuma	Arizona	85365-7508	United States of America
158	003286.30-01	SA Recycling	3200 E Frontera St 3250 E Frontera St	Anaheim	California	92806-2812	United States of America
135	003336.74-01	SA Recycling	2000 E Brundage Lane	Bakersfield	California	93307-2734	United States of America
178	003423.46-01	SA Recycling	48100 Harrison St	Coachella	California	92236-1214	United States of America
189	003423.47-01	SA Recycling	790 E M St	Colton	California	92324-3910	United States of America
147	003499.08-01	SA Recycling	2495 Buena Vista St	Duarte	California	91010-3330	United States of America
176	003423.48-01	SA Recycling	460 E Holton Rd	El Centro	California	92243-9444	United States of America
111	003423.49-01	SA Recycling	12301 & 12351 E Valley Boulevard	El Monte	California	91732-3603	United States of America
122	003286.31-01	SA Recycling	15615 Arrow Boulevard	Fontana	California	92335-3253	United States of America
164	003423.51-01	SA Recycling	3489 S Chestnut Avenue	Fresno	California	93725-2699	United States of America
129	003286.32-01	SA Recycling	16801 S Main St	Gardena	California	90248-3121	United States of America
109	003423.52-01	SA Recycling	10651 E Avenue	Hesperia	California	92345-5114	United States of America
174	003423.53-01	SA Recycling	45565 Division St	Lancaster	California	93535-1841	United States of America
143	003408.24-01	SA Recycling	22606 S Alameda St	Long Beach	California	90810-1996	United States of America
179	076774.60-61	SA Recycling	482 Pier T Avenue	Long Beach	California	90802-6209	United States of America



SCHEDULE OF SA RECYCLING, LLC LOCATIONS, APPENDIX B

Location No.	Index/ Record No	Name	Street	City	State/ Prov	Postal Code	Country
108	003423.55-01	SA Recycling	10313 S Alameda St	Los Angeles	California	90002-3800	United States of America
131		SA Recycling	1715 E Martin Luther King Jr Boulevard	Los Angeles	California	90058-1522	United States of America
141	003244.71-01	SA Recycling	2104 & 2047 E 15th St	Los Angeles	California	90021-2822	United States of America
148	076731.47-03	SA Recycling	2728, 3248 & 3312 Long Beach Avenue E	Los Angeles	California	90058-1304	United States of America
120	089513.68-02	SA Recycling	1545 Gage Rd	Montebello	California	90640-6631	United States of America
170	003422.91-01	SA Recycling	41400 Date St	Murrieta	California	92562-7094	United States of America
146		SA Recycling	2411 N Glassell St	Orange	California	92865-2717	United States of America
116	003423.56-01	SA Recycling	1441 Mountain View Avenue	Oxnard	California	93030-5106	United States of America
181		SA Recycling	521 N Rice Avenue	Oxnard	California	93030-8924	United States of America
183	003423.57-01	SA Recycling	5815 Stockdale Rd	Paso Robles	California	93446-9658	United States of America
117	003423.63-01	SA Recycling	1475 E Franklin Avenue and 11630 E End Avenue	Pomona	California	91766-5453	United States of America
155	076802.70-04	SA Recycling	3055 Commercial St	San Diego	California	92113-1496	United States of America
159	003423.59-01	SA Recycling	3202 Main St	San Diego	California	92113-3719	United States of America
195	076763.90-02	SA Recycling	901 New Dock St	San Pedro	California	90731-7598	United States of America
136	003373.31-01	SA Recycling	2002-2006 W 5th St	Santa Ana	California	92703-2897	United States of America
123	003423.60-01	SA Recycling	1599 E Betteravia Rd	Santa Maria	California	93454-9647	United States of America
112	003422.92-01	SA Recycling	12428 Center St	South Gate	California	90280-8058	United States of America
192	003423.61-01	SA Recycling	8250 Tujunga Avenue	Sun Valley	California	91352-3932	United States of America
198	003373.32-01	SA Recycling	9754 San Fernando Rd	Sun Valley	California	91352-1424	United States of America
152	003423.62-01	SA Recycling	29250 Rio del Sol	Thousand Palms	California	92276-2603	United States of America
101	003526.12-01	SA Recycling	2525 S K St	Tulare	California	93274-6875	United States of America
115	083878.38-02	SA Recycling	1359 Central Avenue	Atlanta	Georgia	30344-4973	United States of America
150	003286.33-01	SA Recycling	2800 Amwiler Rd	Atlanta	Georgia	30360-2804	United States of America
197		SA Recycling	960 Molly Pond Rd	Augusta	Georgia	30901-3718	United States of America



SCHEDULE OF SA RECYCLING, LLC LOCATIONS, APPENDIX B

Location No.	Index/ Record No	Name	Street	City	State/ Prov	Postal Code	Country
151		SA Recycling	281 Brennan Rd	Columbus	Georgia	31903-2192	United States of America
144		SA Recycling	2314 Dogwood Drive SE	Conyers	Georgia	30013-1535	United States of America
193		SA Recycling	859 Athens St	Gainesville	Georgia	30501-4867	United States of America
182	003286.34-01	SA Recycling	530 Seaboard Industrial Drive	Lawrenceville	Georgia	30046-4670	United States of America
163		SA Recycling	11140 Veterans Memorial Highway	Lithia Springs	Georgia	30122-1600	United States of America
173		SA Recycling	4460 Broadway	Macon	Georgia	31206-2055	United States of America
157		SA Recycling	317 Marble Mill Rd NW	Marietta	Georgia	30060-1037	United States of America
133	003286.35-01	SA Recycling	1882 Mitchell Rd	Norcross	Georgia	30071-3210	United States of America
177		SA Recycling	4614 New Calhoun Highway NE	Rome	Georgia	30161-9632	United States of America
106	003286.36-01	SA Recycling	100 Sonny Perdue Drive	Savannah	Georgia	31408-8073	United States of America
196		SA Recycling	9013 US Highway 301 S	Statesboro	Georgia	30458-3191	United States of America
130		SA Recycling	1701 Western Avenue	Las Vegas	Nevada	89102-2615	United States of America
149		SA Recycling	2780 N Nellis Boulevard	Las Vegas	Nevada	89115-4507	United States of America
184	003336.75-01	SA Recycling	5850 N Nellis Boulevard	Las Vegas	Nevada	89115-2407	United States of America
186		SA Recycling	6351 Vegas Valley Drive	Las Vegas	Nevada	89142-3502	United States of America
167		SA Recycling	3870 Losee Rd	North Las Vegas	Nevada	89030-3307	United States of America
213		Tennessee Valley Recycling LLC	821 W College St	Pulaski	Tennessee	38478-3626	United States of America
187	003449.46-01	SA Recycling	6800 Market Avenue	El Paso	Texas	79915-1014	United States of America



SRS DEDUCTIBLE LOCATIONS, APPENDIX C

Location No.	Index/ Record No	Name	Street	City	State/ Prov	Postal Code	Country
AA01	AA1419.00-01	SRS AUT	Industriestrasse 2	Müllendorf		7052	Austria
BE01	BE1061.00-02	SRS BEL	Europark-Noord 32	Sint-Niklaas	Oost-Vlaanderen	9100	Belgium
CZ01		SRS CZCH	Hviezdoslavova 53c	Brno		627 00	Czech Republic
GE02	GEA487.00-02	SRS GER	Im Weiherfeld 25	Ginsheim-Gustavsburg	Hessen	65462	Germany
GE01	GEE440.00-01	SRS GER	10 Rathenaustr	Bergkamen	Nordrhein-Westfalen	59192	Germany
NL01	NE5475.00-01	SRS NL	Hastelweg 251	Eindhoven	Noord Brabant	5652 CV	Netherlands
NL02	NE5476.00-01	SRS NL	Waarderweg 60	Haarlem	Noord Holland	2031 BP	Netherlands
NO01	NO1193.00-01	SRS NOR	Greåkerveien 23	Greåker	Østfold	1718	Norway
PL01		SRS POL	Lakowa 79	Bydgoszcz		85-463	Poland
SW01	SW3119.00-01	SRS SWE	Karoserigatan 6	Katrineholm		641 51	Sweden
UE01		SRS UAE	Jebel Ali Free Zone, PO Box 262843	Dubai			United Arab Emirates
UK49	UKM040.00-01	SRS UK	Northend Rd	Stalybridge	Cheshire	SK15 3AZ	United Kingdom
UK43	UK0842.00-02	SRS UK	Macklin Avenue, Cowpen Lane Industrial Estate	Billingham	Cleveland	TS23 4BY	United Kingdom
UK50	UK7118.00-02	SRS UK	Lochside Industrial Estate, Irongray Rd	Dumfries	Dumfriesshire	DG2 0NR	United Kingdom

Account No. 1-85457
Policy No. 1047248

SUPPLEMENTAL UNITED STATES CERTIFIED ACT OF TERRORISM ENDORSEMENT

This Endorsement is applicable to all insured Locations in the United States, its territories and possessions and the Commonwealth of Puerto Rico.

Coverage for “Certified Act of Terrorism” Under The Terrorism Risk Insurance Act of 2002, as amended.

In consideration of a premium charged of USD**93,025**, this Policy, subject to the terms and conditions therein and in this Endorsement, covers direct physical loss or damage to insured property and any resulting TIME ELEMENT loss, as provided in the TIME ELEMENT section of the Policy, caused by or resulting from a Certified Act of Terrorism as defined herein.

Notwithstanding anything contained elsewhere in this Policy, any exclusion or limitation of terrorism in this Policy and any endorsement attached to and made a part of this Policy, is hereby amended to the effect that such exclusion or limitation does not apply to a “Certified Act of Terrorism” as defined herein. This amendment does not apply to any limit of liability for a Certified Act of Terrorism, if any, stated under the LIMITS OF LIABILITY clause of the DECLARATIONS section of this Policy.

With respect to any one or more Certified Act(s) of Terrorism, this Company will not pay any amounts for which the Company is not responsible under the terms of the Terrorism Risk Insurance Act of 2002 (including subsequent action of Congress pursuant to the Act) which includes a provision stating that if the aggregate insured losses exceed USD100,000,000,000 during any calendar year, neither the United States Government nor any insurer that has met its insurer deductible shall be liable for the payment of any portion of the amount of such losses that exceed USD100,000,000,000. If the aggregate insured losses for all insurers exceed USD100,000,000,000, your coverage may be reduced.

The coverage provided under this Endorsement for “Certified” losses caused by acts of terrorism will be partially reimbursed by the United States Government under a formula established by Federal Law. Under this formula, the United States pays 85% (and beginning on January 1, 2016, shall then decrease by 1 percentage point per calendar year until equal to 80 percent) of covered terrorism losses exceeding a statutorily established retention by the insurer referenced in this Policy. The premium charged for this coverage is provided above.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Endorsement or the Policy.

The coverage provided by this Endorsement only applies to a Certified Act of Terrorism.

Reference and Application: The following term(s) means:

Certified Act of Terrorism:

A “Certified Act of Terrorism” means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002 as amended and

extended in 2005, 2007, and in 2015. The criteria contained in that Act for a “Certified Act of Terrorism” include the following:

- a. The act resulted in aggregate losses in excess of USD5,000,000; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.



Account No. 1-85457
Policy No. 1047248

CYBER OPTIMAL RECOVERY ENDORSEMENT

It is agreed that this Endorsement is a part of the Policy and that the terms and conditions of the Policy are amended as described herein. All other terms and conditions of the Policy remain unchanged.

INSURED OPTION:

The Insured acknowledges having purchased a cyber policy.

As respects loss or damage that is covered by both this Policy and the cyber policy, and notwithstanding anything contained in the OTHER INSURANCE clause in the GENERAL PROVISIONS section of this Policy, the Insured may elect, within 180 days of notifying this Company of the loss, to apportion the loss between this Policy and the cyber policy and to designate this Policy as primary, excess or contributing insurance to the cyber policy with respect to each portion of the loss, provided designating it as such is necessary to maximize the total indemnity available for the loss under both this Policy and the cyber policy.

This election option shall be subject to the following additional conditions:

ADDITIONAL CONDITIONS

- 1) The Insured will provide this Company with a copy of any cyber policy in force at the time of loss.
- 2) Any coverage provided by the cyber policy that is not provided by this Policy does not extend to this Policy.
- 3) The insolvency, inability or unwillingness to pay of the company issuing the cyber policy shall in no event increase this Company's liability or delay settlement under this Policy.

**NOTICE TO ARKANSAS POLICYHOLDERS
Inquiries and Complaints**

Please contact us if you have an inquiry or complaint. We will provide you with the name, address and telephone of your policy producer or agency, if applicable.

Policyholder Service Office:

Factory Mutual Insurance Company
Corporate Offices
P.O. Box 7500
270 Central Avenue
Johnston, RI 02919-4949

Toll free: (800) 343-7722
Local: (401) 275-3000

If we at Factory Mutual Insurance Company fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department
1200 West Third Street
Little Rock, AR 72201

Toll free: (800) 852-5494
Local: (501) 371-2640

NOTICE TO ARKANSAS POLICYHOLDERS
Arson Reporting

The purpose of this notice is to inform you of the state law requirements mandating the release of information relating to arson reporting.

Arkansas law requires that upon request, insurers must disclose to law enforcement or state or federal agencies any information relating to fire losses that may have been intentionally caused. Details from the law are referenced below.

RELEASE OF INFORMATION

- (a) Any authorized agency may, in writing, require the insurer at interest to release to the requesting agency relevant information relating to the fire loss in question which may include, but is not limited to:
 - (1) policy premium payment records;
 - (2) history of previous claims made by the Insured;
 - (3) material relating to the insurer's investigation of the fire loss.
- (b) (1) Any insurer having reason to believe that a fire loss in which it has an interest may be of other than accidental cause shall, in writing, notify an authorized agency of the finding.
 - (2) When an insurer notifies any one of the authorized agencies pursuant to this subchapter, it shall be sufficient notice for the purpose of this subchapter.
 - (3) Nothing in subsection (b) of this section shall abrogate or impair the rights or powers created under subsection (a) of this section.
- (c) The authorized agency provided with information pursuant to subsections (a) or (b) of this section and in furtherance of its own purposes may release or provide the information to any other authorized agency of this or another state, or of the United States to the extent that its disclosure or use is relevant to a loss by fire of real or personal property which is under investigation by the agency.
- (d) (1) When an insurer enters into a contract of insurance against fire loss with the insured, the requirements of this subchapter must be disclosed in writing to the insured.
 - (2) Any insurer providing information to an authorized agency pursuant to this law shall notify its insured in writing of such an action no later than 90 days after the action has been taken. A copy of the report furnished the authorized agency shall be furnished to the Insured upon the commencement of civil action or criminal prosecution. For purposes of this subchapter, "named insured" means the person whose name appears on the face of the policy as the insured individual.
- e) Any insurer, or a person acting on its behalf, shall be immune from liability in any civil or criminal proceeding for any statement made or action required by this subchapter where actual malice on the part of the insurer or its representative is not present.

NOTICE TO OUR ILLINOIS POLICYHOLDERS

We are here to serve you.....

As our Policyholder, your satisfaction is important to us. Should you have an inquiry or complaint, please contact:

FACTORY MUTUAL INSURANCE COMPANY

Corporate Affairs Department

P.O. Box 7500

Johnston, Rhode Island 02919

(800) 343-7722

If you are still not satisfied.....

write or call:

State of Illinois

Department of Insurance

Consumer Affairs and Information

320 West Washington Street, 4th Floor

Springfield, Illinois 62767-0001

(217) 782-4515

FILING EXEMPTION NOTICE

Various states have enacted laws which suspend the requirement for the filing of rates and forms used for commercial and large commercial risks. This notice is being sent to you in accordance with the following states' requirement for the insurance company to notify clients affected by this law. If you have any questions or concerns, please contact your Account Manager.

Applicable States:

Kentucky
Michigan
Missouri
Pennsylvania
South Dakota

VIRGINIA NOTICE

IMPORTANT INFORMATION REGARDING YOUR INSURANCE

In the event you need to contact someone about this insurance for any reason please contact your agent. If no agent was involved in the sale of this insurance, or if you have additional questions you may contact the insurance company issuing this insurance at the following address and telephone number:

FM Global
P.O. Box 7500 Johnston, RI 02919
Fax: (401) 275-3029
1-800-343-7722

If you have been unable to contact or obtain satisfaction from the company or the agent, you may contact the Virginia State Corporation Commission's Bureau of Insurance at: Property and Casualty Division, Bureau of Insurance, P.O. Box 1157, Richmond, VA 23218. In-state toll-free calls: 1-800-552-7945, Out-of-state calls: (804) 371-9741.

Written correspondence is preferable so that a record of your inquiry is maintained. When contacting your agent, company or the Bureau of Insurance, have your policy number available

FUNCTIONAL REPLACEMENT COST COVERAGE

Following state requirements, we are advising you that the coverage under this policy for certain property as specified in the policy's Valuation clause applies on a functional replacement cost basis which means that, under certain conditions, claims may be settled for less than the actual cash value of the property insured.